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**AZERBAIJAN STATE ECONOMIC UNIVERSITY**  
**INTERNATIONAL MAGISTRATION AND DOCTORATE CENTER**

**MASTER DISSERTATION**  
**ON THE TOPIC**

**“THE IMPACT OF FOREIGN TRADE ON THE WORLD ECONOMY”**

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**THE MINISTRY OF EDUCATION OF THE REPUBLIC OF AZERBAIJAN  
AZERBAIJAN STATE UNIVERSITY of ECONOMICS  
INTERNATIONAL GRADUATE AND DOCTORATE CENTER**

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**MASTER DISSERTATION**

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**“THE IMPACT OF FOREIGN TRADE ON THE WORLD ECONOMY”**

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## **ELM ANDI**

Mən, Şamilova Günay Zilimxan qızı and içirəm ki, “The ımpact of foreıgn trade on the world economy” mövzusunda magistr dissertasiyasını elmi əxlaq normalarına və istinad qaydalarına tam riayət etməklə və istifadə etdiyim bütün mənbələri ədəbiyyat siyahısında əks etdirməklə yazmışam.

## **“Xarici ticarətin dünya iqtisadiyyatına təsiri”**

### **Xülasə**

**Tədqiqatın aktuallığı:** Bu dissertasiya milli iqtisadiyyatın rəqabət qabiliyyətinin kompleks mövzusunun öyrənilməsinə ayrılmışdır. Müasir dünya iqtisadiyyatı qloballaşma ilə bağlı keyfiyyət dəyişikliyinə, ayrı-ayrı ölkələrin və bölgələrin inkişaf səviyyəsində boşluq, birbaşa modeldən multipolar bir vəziyyətə keçilməsi və bazarlar üçün dünya ölkələri arasında artan rəqabətə görə, bu mövzu çox vacib və vacibdir.

**Tədqiqatın məqsədi və vəzifələri.** Tədqiqatın məqsədi milli rəqabət qabiliyyəti, milli rəqabət üstünlüklərinin inkişafı və qloballaşan dünyada rəqabət qabiliyyəti baxımından milli iqtisadiyyatdır. Azərbaycanın iqtisadiyyatına, mövcud vəziyyətinə və problemlərinə xüsusi diqqət yetirilir.

**İstifadə olunmuş tədqiqat metodları:** Dissertasiya işi yazılarkən müqayisəli təhlil, siztez, antintez və ümumiləşmə və həmçinin sistemli yanaşma metodlarından istifadə edilmişdir..

**Tədqiqatın informasiya bazası:** Dissertasiya işinin informasiya bazasını yerli və bununla yanaşı xarici tədqiqatçıların elmi araşdırmaları, və onların kitabarı bununla yanaşı jurnallarda istifadə edilmişdir

**Tədqiqatın məhdudiyyətləri.** Tədqiqatın aparılmağına əngəl olan nəzəri-metodoloji çatışmazlıqlar bununla yanaşı yetərli informasiya bazasının olmamağı əsas faktordur və s.

**Tədqiqat subyekti,** milli rəqabət qabiliyyəti ilə əlaqəli iqtisadi qurumlardır. dünya iqtisadi əlaqələrinin subyektləri arasında milli iqtisadiyyatın rəqabət qabiliyyətinin inkişafı prosesində, eləcə də qloballaşma kontekstində milli iqtisadiyyatlar arasında yaranan beynəlxalq iqtisadi əməkdaşlıqdan ibarətdir.

**Tədqiqatın nəticələri:** Müasir dünya iqtisadiyyatında xarici ticarət, milli iqtisadiyyata əhəmiyyətli dərəcədə təsir göstərən, kəmiyyət və keyfiyyət parametrlərini müəyyən edən, təhlükəsiz iqtisadi inkişaf şərtləri olan mühüm ekzogen faktordur.

**Nəticələrin elmi-praktiki əhəmiyyəti:** Azərbaycan iqtisadiyyatının əsas ixrac komponenti və milli valyutanın devalvasiyası kimi düşən enerji qiymətləri kimi yeni çağırışlar ilə əlaqədar yeni iqtisadi vəziyyət yaranıb və ya "təkrarlanan, hərtərəfli öyrənmə və rəqabət qabiliyyətimizi artırmaq üçün tədbirlərin inkişafı" tələb olunan "yeni normalıq" adlanır iqtisadiyyat.

**Açar sözlər:** Beynəlxalq ticarət, iqtisadi inkişaf, Azərbaycan Respublikası

## **LIST OF ABBREVIATIONS**

<b>AR</b>	The Republic of Azerbaijan
<b>GDP</b>	Gross Domestic Product
<b>TNC</b>	The transnational company
<b>GATT</b>	Tariff and Trade General Agreement
<b>WTO</b>	World Trade Organization
<b>GATS</b>	General Agreement on Trade in Services

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## INTRODUCTION

**The actuality of the subject.** International trade is the most developed and widespread form of international economic relations. It occupies the main place among modern foreign policy interests and problems of the countries of the world. Therefore, the study of its essence, development dynamics and modern structure is an important element for determining the state's foreign policy of its development programs and confirms its relevance.

The modern world economy is characterized by a variety of forms and methods of international trade, the degree of integration of developed and developing countries into the world community, and intensive trade and economic cooperation and cooperation ties aimed at improving the economic development and economic growth of countries. In this regard, studies of the relationship and interdependence of economic growth and international trade of countries become relevant.

In modern domestic and the foreign literature has a fairly comprehensive and systematic coverage of the basic theoretical foundations of free trade and protectionism, their role in ensuring the economic growth of developed countries and countries with economies in transition, and their impact on the macroeconomic situation in the country. In general, most economists agree that free trade is more useful and more effective than defense as one of the most fundamental tenets of economic theory. There are a number of hypotheses that are not yet confirmed in the theory of international trade. For example, the Leontief paradox, the Rubchinsky effect is still not fully understood. J. Frankel and D.Romer give examples when textbooks on the modeling of international trade are not able to describe its structure and models of the modern world economy.

One of the problems of the theory of international trade is to assess the effect of the development of free trade. Studies based on standard models of partial and general equilibrium showed an increase in the welfare of the population from the development of trade to no more than 1-2% of GDP.

Such results provoke a debate: is it worth encouraging free trade as a priority of foreign policy in developed and developing countries in the event of a small increase in GDP per capita? Economists have tried to optimize the dynamic relationship between international trade and economic growth, without resorting to the traditional static models of trade, on which empirical estimates of benefits were based. The cited empirical evidence for the period 1980-2000 g indicated that international trade was pro-cyclical, and confirmed empirical evidence about the relationship between trade and economic growth. In the meantime, such a relationship has acquired the status of a “stylized fact” in the literature on economic growth.

**Statement of problem and level of learning.** Locally limited and functional differ in their approaches to their organization. These approaches can be conventionally designated as spatial and functional. In the first case, the investigated area is considered as a separate territory, where all resident enterprises enjoy a preferential mode of economic activity. Territorial limitations are a key characteristic of such zones. According to the second approach, a free economic zone is a special regime applied to a certain type of economic activity, regardless of the location of the enterprise that is engaged in this activity. Locally bounded are spatial areas. Open - it is a functional spatially unlimited zones. In the studies of these problems Abramov A., Adrianov V.A., Clunas, C., lukhov N.V. Afonichkin V.A others, articles and their works other academic resources were used.

**Purpose and objectives of the study.** From this, we can formulate the following purpose of this course work, consisting in the collection, systematization and analysis of information on international trade. The Purpose of the course work involves the implementation of the following main tasks: definition of forms, values and the essence of world trade; study of the current state of world trade and its development trends; determining the structure of world trade at the present stage; consideration of modern policies on international trade.

**The object and subject of the study.** in this course work is international trade itself, and the subject of the relationship and processes of functioning and development of international trade.

**Research methods.** While writing the dissertation, analysis, synthesis, antisynthesis and other methods were used.

**Limitations of research.** The main drawbacks to the research work are the lack of sufficient information and the theoretical and methodological drawbacks.

**The result practical and scientific application.** The special role of foreign trade in the national economy is that it is integrated into almost all areas of economic activity and serves to fill the lack of domestic consumer, investment, financial and technological resources. The most significant of these features are the following:

- Securing markets for sectors producing liquid resources on the world market;
- Provision of resources to meet domestic final demand;
- An increase in tax revenues of the budget;
- The inflow of capital and loans to cover the lack of financial resources (income and savings) in various sectors of the economy;
- Compensation for the lack of investment resources.

**Structure and volume of the study.** topic was engaged and engaged almost constantly. This is a necessary condition for the work of individual organizations related to foreign trade, and the activities of each state in the implementation of its foreign policy and the development of medium and long-term development programs. Therefore, the monitoring of the state of international trade, as well as the forecasting and planning processes do not stop, which is expressed in the wide interest in this topic.

In the work as the main method used the analysis, which involves the consideration of international trade in two aspects: firstly, its growth rates in general (exports and imports) and relative to production growth; secondly, changes

in the structure of: commodity (the ratio of the main groups of goods and services) and geographical (share of regions, groups of countries and individual countries).

The very subject of work involves the study of not only the quantitative characteristics of changes in international trade, but also the qualitative side of these changes. The total length of dissertation is 83 pages.

# **I Chapter THEORETICAL ASPECTS OF INTERNATIONAL TRADE**

## **1.1. International trade theory and policy**

International trade - the system of international commodity-money relations, emerging from the foreign trade of all countries of the world. International trade arose in the process of the birth of the world market in the 16th - 18th centuries. Its development is one of the important factors in the development of the world economy of the New Time.

The term international trade was first used in the 12th century by the Italian economist Antonio Margaretti, author of the economic treatise *The Power of the Popular Masses in the North of Italy*.

The advantages of participating countries in international trade:

- Intensification of the reproductive process in national economies is to increase the effectiveness of the application of new technologies;
- increased export supply leads to increased employment;
- makes it necessary to improve international competitive enterprises;

The development of World Trade is based on the benefits it provides to the countries involved. The theory of foreign trade gives an idea of what this income is from foreign trade or determines the direction of foreign trade flows. International trade developing countries serve as a means to increase the productivity of available resources and increase the volume of products and services produced by them, improve the welfare of the population (Adrianov V.A., 2007: p.212).

Many well-known economists were involved in international trade. The main theories of international trade are the Mercantilist theory, A. Smith's Theory of Absolute Benefits, D. Ricardo and D. Mill's Theory of Comparative Advantage., Heckscher - Olin's Theory, Leontiev Paradox, The Goods Life Cycle Theory, M. Porter's Theory, Rybchinsky's Theorem, and Samuelson and Stolper Theory.

Trading was viewed as a zero-sum game, when winning one participant automatically means losing the other, and vice versa. To obtain the maximum benefit, it was proposed to strengthen government intervention and control over the

state of foreign trade. The mercantilist trade policy, called protectionism, was to create barriers in international trade that protect domestic producers from foreign competition, stimulate exports and restrict imports, imposing customs duties on foreign goods and receiving in return their goods gold and silver.

The theory of comparative advantages of D. Ricardo and D.S. Mill. In "The Beginning of Political Economy and Taxation," Ricardo showed that the principle of absolute advantage is only a special case of the general rule, and he substantiated the theory of comparative (relative) advantage. When analyzing the development directions of foreign trade, two circumstances should be taken into account: first, economic resources - natural, labor, etc. - are unevenly distributed between countries, secondly, efficient production of various goods requires different technologies or combinations of resources.

Those who own countries are not there for once and for all information, D. According to Ricardo, so countries with a completely high level of production costs can benefit from trade exchanges. The desire of each country to specialize in production with the greatest *ustunluyu* and the least weaknesses and not necessarily, but the relative benefit is the greatest advantage-D. It is the comparative law of Ricardo. According to Ricardo, each product is produced in a country where alternative (applied) costs are low, the total volume of production will be the highest. Thus, the relative advantage is the benefit based on low alternative (imposed) costs in the exporting country. Thus, as a result of specialization and trade, it will be beneficial for both countries to join the exchange. In this case, the example is an English piece exchange for Portuguese wines, which benefits both countries, even if the absolute cost of production of fabric and wine in Portugal is lower than in England (Adrianov V.A., 2007: p.52).

Later, D.S. Mill explained the price at which the exchange was carried out in his work "the foundations of Political Economy". According to Milla, the price of currency is determined by the laws of supply and demand, which allows each

country to pay for the total amount of its imports - this is the international law of value.

Heckscher-Ohlin theory. This theory of Swedish scientists, formed in the 30-ies of the twentieth century, refers to neoclassical concepts of international trade, since these economists did not adhere to the theory of Labor value, considering it rational, along with labor, capital and land. Therefore, the reason for trade is the variety of factors of production in countries that are participants in international trade.

The main points of their theory are: firstly, countries already export products for the use of factors of production in the country, and vice versa, imported goods that require the production of relatively rare factors; secondly, in international trade there is a tendency to equalize "actual prices"; thirdly, the supply of goods can be replaced by the actions of factors of production that go beyond. (Abramov A.,2007: p 221).

Paradox Leontiev. This is a study by an American economist who questioned the Heckscher-Ohlin theory and post-war, suggesting that the US economy is specialized in relatively more labor-intensive types of production. The essence of the paradox of Leontief was that there could be an increase in the share of capital intensive goods in the economy, a decrease in the number of able-bodied. In fact, the share of labor-intensive goods did not decrease when analyzing the US trade balance. The resolution of Leontief's Paradox was that the labor cost of imported goods by the United States was quite large, but the labor cost of imported goods is much lower than that of the US exports. In the United States, labor capital intensity is significantly important, with high labor productivity, which has a significant impact on the labor price of export goods. The share of labor increases in US exports, which confirms the Leontief paradox. This is due to the increased share of services, labor prices and the structure of the US economy. This leads to an increase in the labor intensity of the entire American economy, not excluding its

economy. Product life cycle theory. R Vernoy, J. Cindelberger and L. Promoted and motivated by Wels.

In their opinion, the product goes through a period of five stages before it appears on the market and leaves it:

- product presentation on the market. There is no profit due to the high prices of marketing activities, sales volumes are slowly increasing;

- product development. The company finds and applies new product ideas. At the moment, sales are zero, costs are increasing.

- fast market conquest, increased profits;

- payment. Sales growth is slowing as the majority of consumers are already attracted. The level of profit remains unchanged or decreases due to the increase in costs to marketing activities to protect the product from competition;

- Rotten. Decrease in sales and profit (Adno Y.V., 2006: p.12).

- imported goods by government organizations with national equivalents, etc.

The high importance of MT in terms of the development of the world economy has led to the creation of the world community of international civilized regulatory bodies, whose efforts are aimed at controlling the implementation of the rules, principles, procedures and members of international trade operations. the states of these organizations (Glukhov N.V., Afonichkin V.A, 2006: p. 152).

Lanmasinda a special role in the regulation of international trade is played by multilateral agreements operating in the following framework:

GATT (General Agreement on Tariffs and Trade);

WTO (World Trade Organization);

GATS (General Agreement on Trade in Services);

TRIPS (Agreement on Trade-Related Aspects of Intellectual Property Rights).

The GATT. According to the main provisions of the GATT, trade between countries should establish the most favorable country (PNF) principle, that is, the

most dominant mode of trade of the GATT member states (MFN), which is equality and non-discrimination. At the same time, exceptions have been made to the NSP for countries included in the economic integration groups; for former colonies, which are in traditional relations with the former metropolises; for border and coastal trade. With estimated estimates, the share of "exceptions" is at least 60% of World Trade in finished products, which completely deprives PNF of its share.

GATT recognizes recurring (round-trip) reduced MT as the only means of regulating customs tariffs. At present, their average level is 3-5%. But there are exceptions that allow you to use non-tariff protection (quotas, export and import licenses, tax privileges). These include the introduction of programs to regulate agricultural production, violations in the balance of payments, implementation and assistance of regional development programs.

These actions (decisions) can bring restrictions on freedom of trade, if the GATT maintains in itself the principle of rejecting unilateral actions and making decisions in favor of negotiations and consultations.

The predecessor of the WTO, the GATT-made its decisions during the negotiation stages of all members of this Agreement. Eight people passed. The most important decisions of the World Trade Organization in the regulation of MT were taken at The Last (eighth) Uruguay stage (1986-1994). This stage led to further expansion of issues regulated by the WTO. This included the program of strengthening efforts to regulate the sale of services, as well as reducing the amount of customs duties, the MT of products of individual industries (including agriculture), and control over areas of national economic policy that affect the country's foreign trade (McGrail, S., 2005: p.25).

The national level of regulation refers to the foreign trade of services of individual states. This is done through bilateral trade agreements, which may include the trade in services. An important place in such contracts is given to the regulation of investments in the service sector.

## **1.2. International trade issues, historical and institutional framework**

Natural resources in the world are distributed in different ratios between states, which was the primary reason for the emergence of international trade. For example, chromium is mined in one of the countries, and oil is mined in the other. Both countries need both gasoline and chrome steel for the manufacture of parts for vehicles. Output - trade between these countries, chromium and gasoline.

Why do states trade in goods that they can produce themselves? The US imports vehicles and televisions made in Japan, despite the fact that they themselves are major manufacturers of the automotive and television industry.

According to statistics, the United States imports about 21% of cars, and exports for export about 11%. Why import foreign cars in order to pay for them by selling national automotive products to other countries?

Export - sale, export to the territory of other countries of goods that were produced by various sectors of the national economy.

Import - purchase, import into one of the states of goods manufactured in the territories of other countries.

An absolute advantage is the principle of economics, based on the differences of one country over others in how much the cost of creating identical products is incurred.

As an example, take the costs of Russia and Ukraine in the cultivation of sugar beet and flax. Different soil and climate of these countries makes different and the volume of the grown product. If in Ukraine there is less flax harvest, then in Russia there is less harvest of sugar beet. Both countries will benefit from the fact that, specializing in their product, they will exchange it with each other. Agricultural land in this case will be used as efficiently as possible (Andrea J, 2011: p. 342).

Therefore, even during the Soviet era, Russia grew flax and sold flax fabric to Ukraine, while Ukraine supplied sugar to Russia obtained by processing sugar

beet. In the language of economics, such international specialization of trade and production is named as the principle of absolute advantage.

The principle of absolute advantage is when the winning position of a state is to specialize in the production of specific goods manufactured or grown at the lowest cost than in other countries.

This specialization, which is based on the principle of absolute advantage, leads to the most efficient use of the resources of the planet. As a result, a world economy arises, ensuring the production of a product by countries that can spend a minimum of resources. Great attention is paid by international organizations and governments of states to the development of international trade.

The uneven distribution of natural resources and the basis of the principle of absolute advantage do not provide a complete picture of the understanding of international trade. This is for the economy, as a science, it was clear at the beginning of the XIX century at the completion of the initial process of industrialization. Leading countries have emerged, whose production costs for the goods of various industries were much lower than in other countries.

Using the principle of absolute advantage, leading countries should have stopped supplying products to less developed countries, but this did not happen.

In England, the economist and great scientist David Ricardo (1772-1823 years of life) lifted the curtain on the secrets of international trade and was able to discern the principle of relative advantage in the development of an external economy.

The principle of relative advantage is the benefit of any state, which consists in exporting those goods, the cost of choosing which is much lower than in other states, that is, it makes sense for the state to produce specialized goods, the expanded output of which is associated with the lowest cost of choice than in countries where sell these goods.

No one carries out such calculations in the real practice of commercial relations. Replacement calculations is the analysis of the ratio of prices in the

national and foreign markets. Such a ratio in the presence of other identical conditions corresponds to differences in the relative performance of goods.

Every businessman makes simple conclusions: the organization of international trade is economically advantageous, when it is possible to buy other imported goods in the profit from the sale abroad of export goods in a much larger volume than the exact same product in their home country.

The main forms of organization of international trade are represented by the import and export of goods.

The purpose of the goods and their origin are the following types of exports:

1. Export of goods that have been produced or processed in a particular country.

2. Export of raw materials / semi-finished products for the purpose of further processing in another country under the control of customs and with subsequent return.

3. Export of goods that have already been imported from a foreign state, incl. goods that were sold at an international auction, a commodity exchange, etc. Export of goods according to the presented scheme is called re-export.

4. Export to a foreign country of national goods for a short period with further return, for example, participation in exhibitions, fairs, etc., as well as export of already imported foreign goods, for example, participation in auctions, exhibitions, etc.

5. Export of goods within the framework of a transnational corporation (TNC) and in the system of direct production relations (Ivashchenko A.A., 2003: p.434).

The purpose of the goods and their origin are the following types of imports:

1. Importation of goods or certain technologies from abroad for their further sale on the national market of the importing country and receipt of paid provision of production or consumer services from the country of the counterparty.

2. Import from the foreign state of domestic goods that were imported there. Such import is called re-import.

3. Import of raw materials / nodes / semi-finished products / parts for the purpose of further processing and then re-export abroad.

4. Import of goods for a certain time to participate in exhibitions, fairs, auctions, etc.

5. Import of goods within the framework of TNCs and in the system of direct production relations.

Export-import operations: types and step-by-step organization

Modern forms of organization of international trade

The classic trading operation is the payment by the buyer in cash of the purchased goods, but they also use more modern forms of organization of international trade, such as:

1) International leasing. It was distributed in the middle of the 20th century and is a method of buying and selling production equipment. Leasing is a lease for long-term production machines, equipment, vehicles, etc.

The essence of the leasing transaction: the leasing company is the lessor and for the term of the lease agreement is the owner of the leased equipment. A lessor can be either a specialized company or a commercial organization or a representative of the banking system. When the lease agreement expires, the tenant has the right to purchase the equipment, return it to the lessor or extend the lease term.

That is, the unused equipment by the lessor with the help of leasing makes it possible to get some profit from it, and the tenant can start a business with less investment of funds. Leasing helps to restructure production and provides an opportunity to purchase modern equipment of imported production without the huge expenses in the currency of another state. Often the calculation is exported products that are produced on leasing equipment.

In terms of international trade, the landlord and tenant are subjects of different countries. A leasing company in one state buys equipment from a manufacturer in its own country, and provides it to a tenant in a foreign country for rent.

It is possible to distinguish such types of rental of industrial equipment, such as:

- hiring - rent for a period from several months to one year (medium term);
- rating - rent for a period from several days to several months (short-term).

2) International bidding is a common modern form of organization of international bidding. This is when one of the countries in the form of a competition sells goods to other states, choosing the winner, who offered the most favorable conditions. Such international tenders are called tenders, they are held in the form of tenders for the supply of equipment, construction work by foreign companies, the provision of engineering services, educational services for company personnel, etc. All bids received during the competition are subject to a comparative analysis. The state that has offered the most favorable conditions, signs a contract with the country that announced the competition.

3) Exchange trading is an important form of organization of international trading. This form of trading is conducted on commodity exchanges, where states conclude large transactions in the wholesale purchase and sale of goods. Ideally, exchange trading should call for the establishment of fair prices, the formation of international exchange rates, and an increase in the capitalization of firms. There are interventions that are carried out by central banks (CB) in order to adjust exchange rates. Exchange trading has its own specific levers of control, therefore, it is hardly possible to believe in price fairness.

4) Licensed trade is also a modern form of international trade. This type of trade appeared as soon as scientific and technical knowledge became a commodity. One country sells another license to use inventions, industrial designs, trademarks, know-how, etc. Know-how is a production or trade invention of an innovative

nature. Often international trade is called trade between know-how and licensing agreements.

5) International countertrade is a form of trade between states where, instead of monetary settlement, the delivery of goods from the country that is the buyer is used. We distinguish five forms of countertrade:

- Net barter - non-durable transaction, which is the exchange of goods for another;

- Switch - a lengthy transaction that does not have cash payments. On the part of the buyer and the seller, groups of goods are involved, third parties may be involved as a party to settle the relationship between the exporter and the importer;

- Buy-back is a transaction involving payments in cash, but the exporter undertakes to purchase goods from the importer, and the goods purchased are produced by the importer using goods that were purchased from the exporter;

- The clearing agreement is a lengthy transaction that has no cash settlements. On the part of the buyer and the seller, groups of goods are involved without the involvement of third parties;

- Offset. Such a transaction provides for settlements in cash, obligations that are not limited to the purchase of goods by both parties (Division. M, 2017: p.122).

There are many classifications of international trade. Increasing interest is taking on trade in the displit system, based on the signing of transactions on counter-obligations. These transactions come from international countertrade, but in modern conditions they have found wide application in national markets or in any particular territory. The basis of such transactions is the seller's interest in expanding trade in goods and services, which consists in the possibility of limiting the shortage of money that arose when buying goods and replenishing it in connection with the sale of goods and services. It's simple: "You buy from me, and I buy from you."

6) International auction trade. Another form of organization of international trade, which is the sale of goods through public auction in the form of an international auction, which is arranged for buyers from different countries. At such auction bidding exhibited products with special qualities. Historically, a certain list of goods that are sold at auctions: antique items, tea, wool, furs, tobacco, racehorses, certain types of spices, art objects and things of historical value. For example, at the Sydney auction, most wool produced worldwide is sold, at Colombo, Calcutta and Jakarta auctions tea, at Singapore auctions rubber, and at Sotheby's and Christie's London auctions antiques (McGrail, S., 2005: p. 355).

7) International mail order trading. This is a new form of trade, the essence of which is that the main company takes the goods of other enterprises, sometimes created with its participation. The goods are mainly of domestic nature (dishes, furniture, clothing, footwear, bed linen, etc.), published in specialized catalogs or online stores that are distributed in various states. The buyer has the opportunity to choose the product he is interested in, pay for it and receive it by mail or in stock. The basic principles of mail trading are address trade, personal work with customers and an organized network of warehouses in different countries.

Otto became the founder of this type of trade. Their central office is located in Hamburg, and branches are scattered in 40 countries of the world. In conjunction with the branches, they form the concern "Otto" with an employment of 55 thousand people. Otto is constantly exploring the characteristics of consumer tastes in Europe, Asia and North America, with an emphasis on the sale of environmentally friendly products. The company occupies a leading position in the international parcel.

#### Organization of international trade in services

In the postindustrial period, the organization of international trade in services is developing at a faster pace than trade in goods. The international market of services has developed together with the international market of goods, labor,

capital and has embraced a certain system of relations between different countries, consisting in the provision of various services (Munim, Z. H., 2018: p.289).

The following categories of services in international trade can be distinguished:

a) For possible participation in international trade in services, there are:

- Services as an object of foreign trade activities (international lending, passenger and cargo transportation, communication services);
- Domestic trading services that cannot be exported (social, infrastructure, government, personal).

b) According to the use of methods of delivery services emit:

- Investment services (banking, professional, hotel);
- Trade services (transport services and insurance services);
- Investment services and trading services (construction, personal, recreational, informational, computer, communication services, etc.).

There is an official classification of international trade services, according to which services are divided into groups:

- Services of retail and wholesale trade, services of restaurants and hotels, tourist bases and campgrounds;
- Construction and utilities;
- Transport services, financial intermediation services, communication and storage services;
- Fit and social services;
- Services in the field of education, health and public works.

International trade in services is a structure of international commodity and monetary relations in the sphere of purchase and sale of services organized between different states. The World Trade Organization (WTO) regulates international trade in both goods and intellectual property and services. The General Agreement on Trade in Services is the main international document and annex to the WTO agreement. With the help of the WTO, the regulation of

international trade law has emerged, which dynamically develops the economy and makes the system of international trade relations transparent and also creates favorable opportunities for improving the position of the economy in many countries of the world. The WTO Agreement, as the basis of economics and the law of international trade, makes trade transparent with no discrimination, with real and fair competition for less developed countries (Krugman P., Obstfeld M., 2008: p.14).

The General Agreement on Trade in Services identifies the following methods of international supply of services:

1) Cross-border supply - the provision of services from one state to another, i.e. The service is provided to a natural or legal person of the country from abroad. In this case, it may be international transport services, services via mail or telecommunications.

The service may be dressed in the exported goods, for example, written to disk, shown in engineering drawings, etc.

2) Consumption abroad - the provision of a service in one state to a consumer located in another state, for example, a service to carry out the repair work of the courts of one state in another, medical assistance to a foreign citizen.

3) Commercial presence - the provision of services from one state at the expense of a commercial presence in the territory of another, i.e. provision of services through the representative office of the foreign contractor's company For example, any bank service can be provided through a branch of a bank located in another country.

4) The presence of individuals - the provision of services due to the presence of individuals of the Executive State on the territory of any other. This method of providing services is designed for the constant movement of an individual from one country to another, for example, a specialist from a foreign country consistently provides advice on the territory of another or an employee of a company can be sent to provide services abroad, maintenance and repair of equipment purchased in another country etc.

For the provision of services, you can use several methods at once. So, the consultation service can be provided in person through a company representative, or via the Internet. There are states that restrict entry to individuals. In this case, the service can be provided via telecommunications.

Features of international trade in services (Lolikova A.P., Lyurkov P.O., 2010: p.317):

- Production and consumption of services occurs at a time, and this is different from the production and consumption of goods. International trade in goods is based on the relationship of resellers and the implementation of warehousing of goods, while the main types of international trade in services are based on direct contact between the service producer and their consumers.

- International trade in services is more in need of availability in the territory of another country of service producers or the location of consumers of a foreign state in the territory of the country of origin of services. However, the provision of services related to information technology is possible without going to another state.

- International trade in services is undoubtedly connected with trade in goods and has an important influence on it. It is necessary to provide a large number of services for importing goods to another country, for example, conducting market analysis, transportation services, etc. Trade in goods that are products of scientific progress is very dependent on the provision of consulting, technical and informational services. The success of the sale of goods on the foreign market directly depends on the quality of the services provided during their creation, sale, maintenance, warranty, etc.

- International trade in services is closely interconnected with the international movement of capital and labor, in connection with which it is impossible to carry out without the provision of transport, banking, information and other types of services. There is a strengthening and expansion of the

international market of services through the development of the world market for goods, capital and labor.

- The scope of international services is more protected by the state than the production of goods. As a rule, such services as transport, insurance, scientific, financial, education and health services, communication services, are under the careful control of the state, because they are its national property.

- There is an opinion that there are many obstacles to the development of international trade in services, since the country's excessive consumption of foreign services may contain a threat to its security and independence.

- Not all types of services can be provided in the international arena. For example, domestic and municipal services are provided by domestic manufacturers. Countries that have successfully distinguished themselves in a particular industry of production of services attract foreign citizens. So the success of the country in the health or educational sphere attracts foreigners to receive high-quality medical care or education; success in the field of art and culture increases profits through touring actors, renting movies in other countries; success in tourism attracts foreigners to work in retail, in cultural institutions, in catering, etc.

- But the main services in the international trade of services are services related to the maintenance of labor activities.

Commercial representation - how to find a foreign agent and sign an agreement with him

What are the different methods of organizing international trade?

The basis of international trade is the contract of sale of goods in tangible material form, according to which the seller assumes the obligation to transfer certain goods to the property to the buyer within a specified time and on contractual terms, and the buyer assumes the obligation to accept the goods and pay the amount of money stipulated by the contract means.

There are the following methods of organizing international trade:

1. Direct method. This method is rational for companies that are on the market for a long period and have large sales volumes.

Advantages:

a) There is a reduction in costs due to the lack of remuneration in the form of a commission to the intermediary, respectively, there is an increase in profitability;

b) Reducing risks, not depending on third parties in the field of trade, respectively, easier to control the implementation process;

c) It is easier to get information on the sale of goods through direct contacts.

2. Indirect method. The method works according to the system: the manufacturer of the goods - the intermediary - the final consumer. This method is effective for removing from the market competitors working with the same intermediaries, but on the best terms.

Rationally:

- For a more narrow-industry market and for one-time customers;
- when there are many strong competitors in the market, and the company does not have its own sales channel, it is looking for opportunities to enter new markets.

The operations performed by intermediaries take place on the basis of a commission agreement, an agency agreement, a consignment agreement, a consignment, a usual intermediary agreement and a distribution agreement.

A mediation agreement is a contract concluded between a principal (seller, supplier, customer, buyer, lessor) and an intermediary.

The contract of assignment is when the attorney undertakes the obligation on his own behalf, but at the expense of the principal to perform a certain action on the sale. Remuneration is the interest from the goods sold. Intermediaries in the sale: distributors, agents, consignees. Negotiators: attorneys, commissioners.

Commission form - the implementation by international companies of commission instructions of legal entities for the purchase of foreign goods abroad and for the delivery of goods for export abroad. They study the market, engage in

advertising activities, build sales and maintenance networks, and conclude transactions on their own behalf, but at the expense of the seller or buyer (Ustinov I.N., 2012: p.309 ).

Who will help with the organization of international business.

The International Chamber of Commerce (ICC) plays a crucial role in international trade.

The headquarters of the ICC is located in Paris.

The International Chamber of Commerce performs different types of activities, but for entrepreneurs engaged in export and import, ICC is interesting, first of all, as a developer of standards and rules governing the sphere of international trade and the banking system.

The UCP is a set of rules and regulations developed by the ICC that govern international practice for documentary credits.

The ICC International Court of Arbitration deals with the resolution of international disputes in the field of business and is considered the authoritative non-state arbitration court in the world. ICC developed the international rules of Incoterms, which recorded many trade terms, incl. FOB and CIF, which determine the legal essence of price quotes in international transactions.

CIF Incoterms 2010 delivery terms

Goals The ICC is in the service of international business, thereby helping to develop trade and investment activities, open new markets for goods and services, and free capital flow; it protects private business and approves its self-regulation.

The ICC was founded as a non-governmental organization in 1919. Thousands of organizations have become members of the ICC, as well as associations of entrepreneurs from various sectors of the economy in 143 countries. Around the world there are more than 90 national ICC committees that report to their governments the opinion of the international ICC community, thereby drawing the attention of the international headquarters in Paris to the problems of domestic entrepreneurship (Fattrell C., 2005: p.254).

Membership and income. The ICC is partially funded through contributions to the ICC National Committees of member organizations and business associations. A significant portion of the ICC's revenue comes from the administrative fees of the ICC International Court of Arbitration. Do not forget about the additional source of income of the ICC, which is formed in connection with the implementation of books, seminars and all regulatory documentation developed by the ICC.

Consultative status. From 1946 to the present, ICC advises the United Nations (UN) on international business issues, as well as communicating to the UN the views of international business entrepreneurs from various countries, including developing and industrial ones.

ICC has a permanent representation in the UN, which monitors the development of certain events affecting entrepreneurship. The ICC brings international business issues to the attention of various intergovernmental organizations through policy statements from the Paris international headquarters. In turn, the national committees of the ICC inform the national governments.

Self-regulation of business. ICC is a developer of business codes that set standards for ethical behavior, but the implementation of these norms is voluntary. ICC is the developer of the "Business Charter for Sustainable Development", which contains 16 principles governing the company's activities from the standpoint of environmental protection, starting with the preparatory stage of product production and ending with consulting potential consumers. ICC issues specialized codes on marketing and advertising activities that affect ethical standards in product promotion, in product advertising, in marketing research, in sponsorship activities related to environmental protection. Norms were issued in 1977, which are directly aimed at combating corruption and bribes. This document was published in new editions in 1999 and 2005. ICC commissions and working groups. ICC specialized commissions regularly hold forums discussing topical issues of international business. At such business meetings, they try to cover as

many different business areas as possible such as financial services, banking, insurance, transportation, environmental protection, investment, marketing, intellectual property, competition, taxes, trade policy and many others. Commissions are a collection of experts in the field of entrepreneurship. These are lawyers, heads of banks, representatives of carriers and other specialists. If decisions are made at a commission meeting on the implementation of a project, then a subcommittee, called a working group, is created to fulfill this mission.

All major ICC documents are created by such working groups. So, Incoterms is a constantly revised document of a certain working drafting group. When a new version of the document is ready, it is sent to the experts of other commissions, as well as to the national committees of the ICC, then all comments, comments and suggestions received are collected and processed.

On readiness of the final version, previously approved by the working group, the document is submitted for approval to the ICC Executive Council. Undoubtedly, such actions to approve documents are of a long preparation, but that is why ICC regulations have earned credibility as documents conveying a common point of view of the entire global international community of entrepreneurs.

The ICC economic crime service consists of three main ICC units dealing with various types of business crime:

- The International Maritime Bureau, which is engaged in the investigation of various types of maritime crimes, including piracy, fraud, cargo theft;
- The Bureau of Financial Investigations is aimed at countering financial fraud, fraud and money laundering;
- Bureau of Counterfeiting, identifying and helping organizations to prevent counterfeiting of their goods.

More than 80 different publications offer ICC to entrepreneurs who are building their business in the field of international trade. Every year the list is updated with newly published collections, rules, regulations, reference books, model contracts.

## **II Chapter THE BENEFITS OF INTERNATIONAL TRADE IN ECONOMIC DEVELOPMENT OF COUNTRIES**

### **2.1. The role of international trade on macroeconomic indicators of countries**

All countries are participants in the modern world economy. The activity of this participation, the degree of integration of individual countries in the world economy are different, but there is no such country that is not bound by the threads of economic interaction with the outside world. The increased scope and diversity of world economic relations are expressed, in particular, in increasing the number and volume of economic transactions between countries, changing the structural relations between them, transforming the nature of these operations, increasing their impact on the economies of individual countries and the entire world economy.

International trade benefits its participants, but at the same time it is one of the most conflict-rich areas of the economy. They can lead to "trade wars," that is, the reciprocal action by governments of countries to limit access to each other's domestic markets.

The development of foreign economic relations raises the question of measures to regulate them:

- Free trade policies opening up the domestic market to foreign competition;
- Trade policy of protectionism, protecting the domestic market from foreign competition;
- Moderate trade policy, in some proportions combining elements of free trade and protectionism (Acemoglu, D., Johnson, S., and Robinson, J., 2009: p.169).

When analyzing the intra-industry exchange of countries with a similar economic structure, the authors of this concept focus on the temporary gap in the production and export of the same products in different countries. Specialization in this approach is determined by the sequence of the start of production of products

in different countries using those factors of production that allow them to take a strong position in the conditions of their multi-time access to the world market. A country that has mastered the production of a new product has comparative advantages over others, due to the monopoly on the market for this product, and ensures satisfaction of both domestic consumption and external demand.

The whole complex range of economic and political relations of the state with other countries, the character of which depends both on the development of the domestic economy and on changes in other countries and on the world market, is reflected in the balance of payments.

The balance of payments is a static document, in which all foreign economic operations of a country with other states for a certain period of time are reflected in a systematic form.

The balance of payments characterizes the ratio of payments entering the country from abroad and payments made by it abroad. Foreign trade transactions showing currency inflows to a country are reflected in the balance of payments with a plus sign. Payments and expenses abroad are entered in the balance with a minus sign (Bairoch, P., 2013: p.41).

The inflow of currency from abroad takes place as a result of the following revenues:

- proceeds from the export of goods and services;
- incomes from enterprises operating abroad;
- interest and dividends from international securities owned by legal entities of a given country;
- unilateral transfers, or transfers (transfers of pensions to citizens who came from abroad, remittances to relatives, foreign aid);
- loans provided by foreign countries and firms;
- cash from the sale to foreigners of enterprises, buildings, land and other real estate;
- proceeds from the sale of securities abroad.

The balance of payments has the following sections:

- trade balance, that is, the ratio between the export and import of goods;
- balance of services and non-commercial payments (balance of "invisible" transactions);
- balance of movement of capital and loans.

Due to the fact that the balance of payments is a tool for analyzing international trade flows, the main principle of its compilation is uniformity, i.e. common standards for the presentation of components for countries participating in international trade. For years, standards for compiling and maintaining statistics for balance of payments are maintained by the IMF and are reflected in relevant methodological publications. From the very beginning of its existence, the IMF has developed, maintained and distributed standards that enable it to organize the preparation of reliable data on balance of payments statistics. Starting from the first edition of the Balance of Payments Manual (hereinafter referred to as the Guidelines), published in 1948, all of its subsequent editions were devoted to the presentation of the methodological principles of the balance of payments, the development of which occurred along with changes in the economic conditions of world trade. At the same time, as the economies of various countries of the world became more and more interdependent during the post-war decades, the need for statistics, which reflects the prevailing tendency to achieve greater liberalization and integration of world markets, increased over time. And since there is an inextricable link between the internal economic development and foreign economic activity of any country, timely, reliable and comprehensive balance of payments statistics, based on a clear, analytically oriented approach, is now an indispensable tool for economic analysis and formulation of economic policy (Fattrell C., 2005: p.254).

The methodological principles for collecting and compiling balance of payments data are set out in the Balance of Payments Manual, which is used by all statistical units of IMF member countries (the 4th and 5th editions of this manual

are currently used in the world). The balance of payments standards are the same for the IMF member countries, which include all developed capitalist countries, countries with economies in transition and many others, claiming a civilized attitude towards themselves as participants in world trade.

Trade balance:

Historically, foreign trade is the initial form of international economic relations, linking national economies to the world economy. Thanks to foreign trade, the international division of labor is taking shape, which is deepening and improving with the development of foreign trade and other international economic operations.

Indicators of foreign trade traditionally occupy an important place in the balance of payments. The ratio of the value of exports and imports of goods forms a trade balance. Since a significant part of foreign trade is carried out on credit, there are differences between the indicators of trade, payments and receipts actually made during the corresponding period.

Balance of services:

The balance of services includes payments and receipts for transportation, insurance, electronic, telegraph, telephone, postal and other communications, international tourism, the exchange of scientific, technical and industrial experience, expert services, the maintenance of diplomatic, trade and other missions abroad, the transfer of information, cultural and scientific exchanges, various commissions, advertising, fairs and so on. Services are a dynamic sector of world economic relations; its role and influence on the volume and structure of payments and receipts are constantly increasing. According to the rules adopted in world statistics, the “services” section includes payments of income from investments abroad and interest on international loans, although in terms of economic content they are closer to the movement of capital and services. The balance of payments includes articles: the provision of military assistance to

foreign countries, military spending abroad. They seem to be adjacent to the operations of services (Balassa, B., 2015: p.265).

The enumeration of the operation of services, the movement of investment income, transactions of a military nature and unilateral transfers are called "invisible" operations, implying that they do not apply to the export and import of goods, that is, tangible values. In their composition there are three main groups of transactions: services, income from investments, one-way transfers.

Balance of capital and loans:

Business capital includes direct foreign investments (acquisition and construction of enterprises abroad) and portfolio investments (acquisition of securities of foreign companies). Direct investment is the most important form of long-term investment and has a great impact on the balance of payments. As a result of these investments, international production is developing, which combines national economies with the world economy at a higher level and stronger than trade.

The international movement of credit kopitali is classified as urgent. Long-term and medium-term transactions include public and private loans and loans issued for more than a year. Government loans and loan recipients remain largely behind the country's leaders, while developed developed countries are key lenders. The picture with private long-term loans and credits looks different. Here, too, developing countries resort to borrowing from private credit and financial institutions of developed countries. But in developed countries, corporations are actively using the attraction of resources from the world market in the form of issuing long-term securities or bank loans (Lolikova A.P., Lyurkov P.O., 2010: p.36).

The final balance of payments items reflect operations with liquid foreign exchange assets in which state monetary authorities participate, resulting in a change in the size and composition of centralized official gold - foreign exchange reserves.

The balance of payments has long been one of the objects of state regulation. This is due to the following reasons.

First, there is an imbalance in the balance of payments, manifested in a long and large deficit in some countries and an excessive balance in others. The instability of the balance of international payments on the dynamics of the exchange rate, the migration of capital, the state of the economy.

Secondly, after the abolition of the gold standard in the 30s of the twentieth century. the elemental balance of payments balance by price regulation is weak. Therefore, the equalization of the balance of payments requires targeted state measures.

Thirdly, in the context of the internationalization of economic relations, the importance of the balance of payments in the system of state regulation of the economy has increased. The task of balancing it is one of the main objectives of the state's economic policy, along with ensuring economic growth rates, curbing inflation and unemployment (Bairoch, P., 2013: p.323).

The material basis for the regulation of the balance of payments are:

- 1) state property, including official gold - foreign exchange reserves;
- 2) an increase in the share (up to 40-50%) of the national income redistributed through the state budget;
- 3) direct participation of the state in international economic relations as an exporter of capital of a lender, guarantor, borrower;
- 4) the regulation of foreign economic operations with the help of regulatory measures and state control bodies.

The state regulation of the balance of payments is a combination of economic, including currency, financial, monetary measures of the state, aimed at forming the main items of the balance of payments, as well as covering the current balance. There is a diverse arsenal of methods for regulating the balance of payments aimed either at stimulating exports or at limiting foreign trade operations

depending on the monetary and economic situation and the state of the country's international settlements.

The main macroeconomic indicators are (Berg, M., 2014: p.288):

1. Gross national product;
  2. Gross domestic product;
  3. Pure national product;
  4. Gross national income;
  5. Gross national disposable income;
  6. Final consumption;
  7. Gross accumulation;
  8. Net lending and net borrowing;
  9. Foreign trade balance;
  10. Gross domestic product
- Gross domestic product (GDP):
  - Gross national income (GNI):

gross national income is the sum of the primary incomes received by residents of a given country for a given period due to their direct or indirect participation in the production of their country's GDP and that of other countries. Thus, GNI is greater than GDP in the amount of primary incomes received by residents of a given country from abroad (minus primary incomes paid to non-residents).

Primary income includes wages, profits, taxes on production, income from property (interest, dividends, rent, and so on).

- Gross national disposable income (GNRD):

VNRD differs from GNI on the balance of current redistributive payments (current transfers) transferred abroad or received from abroad. These transfers may include humanitarian aid, gifts from relatives received from abroad, fines and penalties paid by residents abroad. Thus, VNRD covers all income received by residents of a given country as a result of the primary and secondary distribution of

income. It can be determined by summing up the gross disposable income of all sectors of the economy. VNRD is divided into final consumption expenditures and national savings.

- Final Consumption (CP):

final consumption includes final consumption expenditure of households, state administration, non-profit organizations serving households. At the same time, the costs of state administration and non-profit organizations serving households coincide with the cost of non-market services provided by these organizations.

- Gross accumulation (HV):

- gross accumulation covers the accumulation of fixed capital, changes in material circulating assets, as well as the net acquisition of valuables (jewelry, antiques and so on), that is, investments by resident units in fixed assets to create new income in the future by using them in production. VN of fixed capital includes the following components: acquisition minus the disposal of new and existing fixed assets; costs of improving non-produced tangible assets; expenses in connection with the transfer of ownership of non-produced assets. Gross accumulation as an element of GDP includes gross accumulation of fixed capital, growth of material circulating assets, expenses for the acquisition of valuables. Accumulation can be calculated on a net basis, that is, after deducting consumption of fixed capital (depreciation) (Church, R. A. and Wrigley, E. A., 2009: p.96).

- The balance of foreign trade:

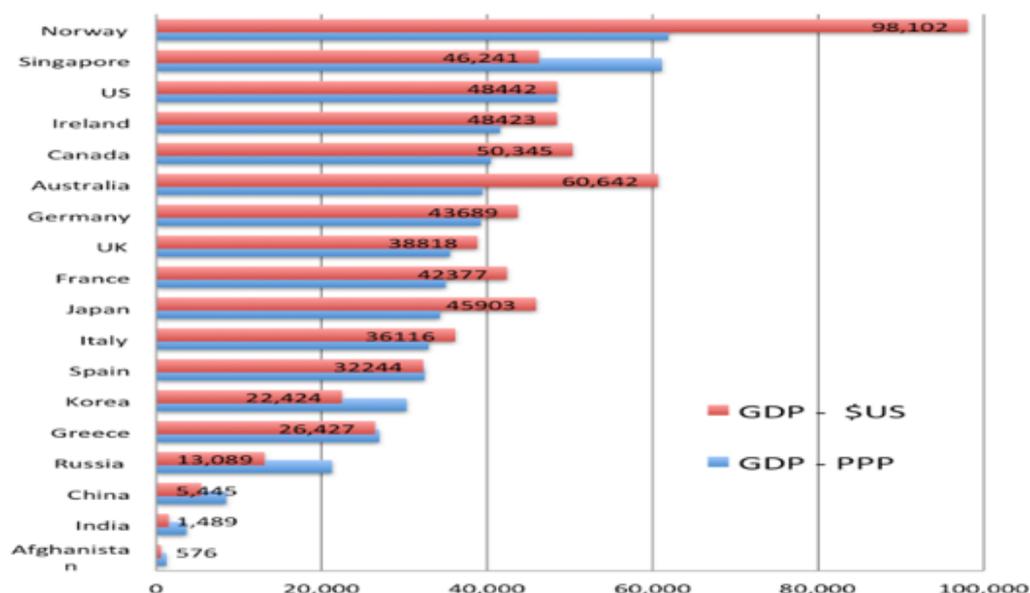
foreign trade balance is an important element of final use of GDP and is defined as the difference between exports and imports. If the foreign trade balance is positive, then net exports take place.

In general, due to uniform prices for measuring indicators of foreign economic activity in the balance of payments of various countries, it is possible to analyze and compare countries as participants in international trade. Thus, when examining the place of foreign trade in the economy and its degree of openness for

international trade, it is customary to compare the data of the country's export, import and foreign trade turnover with the volumes of its GNP and / or GDP, the statistics of which are usually maintained in the domestic prices of the country and international prices (USD) is translated based on the exchange rate. For transitional economies, where in the process of foreign trade liberalization and transition to a market, domestic prices adapt to world prices, the ratio of domestic and foreign prices at the initial stage of reforms has rather large gaps. On the one hand, the liberalization of foreign trade allows us to “import” an undistorted system of world prices by expanding supplies of goods and services from abroad and thereby leveling domestic and world prices. On the other hand, when converting macroeconomic indicators into dollar prices, the official exchange rate is used, which in the conditions of market transformations, as is known, sometimes quite significantly differs from that actually used in trading, which maintains imbalances in prices. All these factors, of course, affect domestic prices and complicate the process of comparing the macroeconomic indicators of this particular country with other countries in a single dollar prices.

In order to overcome the difficulties of comparison, in the practice of international organizations such as the World Bank and the International Monetary Fund, as well as the United Nations, for quite a long time an international method has been used for comparing gross economic indicators at international prices. The results of such calculations are regularly published in the relevant publications of these international organizations and are widely used in world practice (for example, in assigning a country to the relevant groups in assessing the necessary financial assistance from international organizations, etc.). Noting that the study of these methods is not the goal of this work, we will use macroeconomic indicators calculated using the two most well-known comparison methods, the calculated data of which are often used and commented on, including by the official media (Acemoglu, D., Johnson, S. and Robinson, J., 2009: p.41).

**Figure 1. GDP at PPP compared to GDP in \$US**



**Source:** Crafts, N. F. R., *Economic Growth During the Industrial Revolution* (Oxford, 2015)

The first method calculates GNP and GDP indicators (including per capita) and is called the World Bank Atlas methodology. The Atlas conversion factor for any year is the average value of a country's exchange rates (or alternative conversion factors if the official exchange rate differs significantly from the actual one used) for the given year and the exchange rates for the two previous years. Previously, these exchange rates are adjusted for the difference in inflation rates between the country in question and the five countries (Great Britain, Germany, USA, France, Japan), which is represented by a change in the SDR deflator. Such a three-year comparison of indicators smoothes the annual fluctuations in prices and exchange rates for each country.

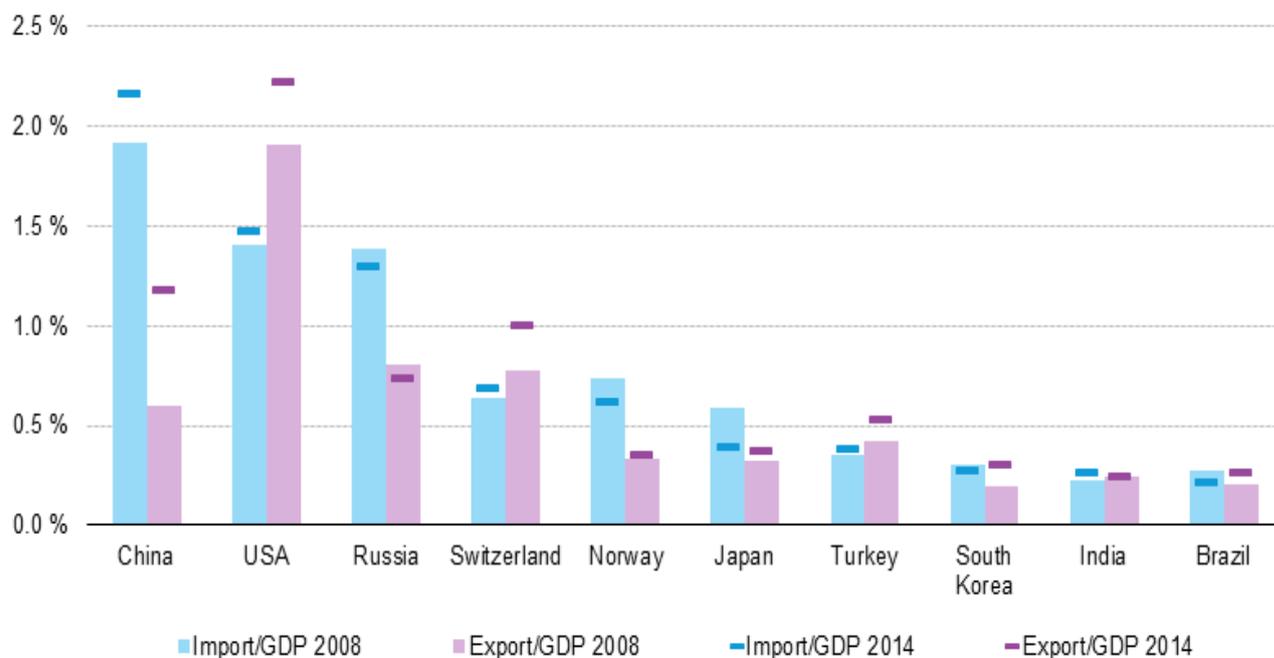
The second method of calculation is presented in the framework of the UN international comparison program, which offers a measurement of GNP and GDP based on an international comparison scale using purchasing power parity (PPP) as conversion factors. The conversion factor, based on the PPP, is defined as the number of monetary units of a given country, which is necessary for acquiring in the domestic market such a quantity of goods and services as can be purchased in the US for \$ 1. Sometimes recalculation of indicators of the domestic product

according to this method is called a transition to world dollars, meaning that the gross indicators of different countries are reduced to the scale of US dollar prices.

As can be seen from the figure 1. GDP per capita in \$US gives different values when measured at purchasing power parity. GDP at Purchasing Power parity (PPP) takes into account variations in living costs. PPP is an attempt to work out how much currency will be needed to buy the same quantity of goods and services in different countries. If this can be done, it can show the underlying exchange rate between the two different countries and a more accurate reflection of actual living standards in countries (Clunas, C., 2016: p.411). Thus, when comparing GDP per capita in transition economies, the effect of inflationary pumping of volume indicators and exchange rate distortions can be leveled, using comparable prices (and also PPP prices) for calculating GDP.

Further, when assessing the role of foreign trade in the economy of countries, the flows of exports and imports of goods and services are usually tracked at current dollar prices, i.e. in those prices at which the export product was sold on foreign markets, and the import one was purchased abroad. In this sense, the prices of exports and imports are world prices, for which international trade in goods and services on the world market is carried out. Usually, due to low dollar inflation, foreign trade indicators do not distinguish between current and comparable prices, considering that the difference between them is quite small and does not significantly affect the results of calculations (especially when studying transition economies, where, as a rule, self-inflation is much more significant). Therefore, in indicators of assessing the share of foreign trade in GDP / GNP (export, import, foreign trade quota) the numerator is presented in current dollar prices, while the denominator (GNP or GDP) can be expressed both in current and comparable prices, and in the assessment on PPP.

**Figure 2. Contributions of Exports and Imports to GDP**



**Source:** Crafts, N. F. R., *Economic Growth During the Industrial Revolution* (Oxford, 2015)

Thus, based on the fact that by the value of foreign trade quotas, it is customary to assess the degree of openness of the economy and the impact on the domestic economy of international trade, the main conclusion is that the real dependence of the macroeconomic indicators of the national economy on the export and import of goods and services is much more than accepted to consider when analyzing data under conditions of current price distortions.

## **2.2. Free trade regime and trade policy as a considered key to any economic development strategy at the national level**

The modern development of the world economy, accompanied by the process of internationalization of national economies of countries, is characterized by the allocation of economic zones, compact territories and other territorial "points" of industrial and innovative development in many countries of the world. According to the UN, there are currently several thousand free economic zones

(FEZ) in the world, with a variety of benefits and preferences for attracting investment.

A free trade areas (FTA) can be characterized as a type of international integration, in which customs duties are abolished in the participating countries. Multivariate definitions of the FEZ is also characteristic of their classification. Over time, the evolution of the FEZ developed from simple forms of activity (trade type of FEZ) to complex (production of mass and high-tech products, provision of services), from cheap options to more capital-intensive and expensive ones. All this was reflected in the types of zones created in different countries. It has historically been proven that the choice of the type of free economic zone depends largely on the economic structure and level of economic development of the country. Most often, the classification of FEZ is carried out according to five criteria: the scope and nature of the activity (the most common criterion), goals and objectives, degree of integration, industry characteristic, nature of ownership (Crafts, N. F. R., 2015: p.188).

Researcher I.V. Klim introduces his own criteria for the classification of the FEZ: the basis of competitiveness, the degree of spatial isolation. According to the criterion “base of competitiveness”, he divides the FEZ into two large groups: preferential and transitive, and according to the degree of spatial insularity into locally limited and functional.

Locally limited and functional differ in their approaches to their organization. These approaches can be conventionally designated as spatial and functional. In the first case, the investigated area is considered as a separate territory, where all resident enterprises enjoy a preferential mode of economic activity. Territorial limitations are a key characteristic of such zones. According to the second approach, a free economic zone is a special regime applied to a certain type of economic activity, regardless of the location of the enterprise that is engaged in this activity. Locally bounded are spatial areas. Open - it is a functional spatially unlimited zones.

Mang Guangwen, in turn, offers the following classification:

1) Territorial-type FEZ have a specially defined territory with high-quality infrastructure and equipped administrative premises, with more trained people than anywhere else in this country, which cannot be easily admitted to a systematic survey. On the other hand, this type of zone avoids excessive technical difficulties in organizing and distributing various fiscal, monetary, and administrative privileges for a large number of enterprises of the FEZ regime. The enclave subtype (free ports, free trade zones, export-oriented zones) is a strictly defined zone in which the policy of closed customs control is carried out in such a way that it does not have a direct connection with the national economy, unlike the open type (special economic zones, technoparks, free financial zones, and free tourist zone). Zones of open type carry out a special policy of customs control (not closed by customs control) and are not strictly defined, or separated from the domestic economy.

2) The regime type of FEZ provides certain benefits for firms located anywhere in the host country if they fulfill certain criteria. Strictly speaking, this type of FEZ is only a free economic “regime”, and not a free economic “zone”, so this is just a special case of a territorial type. In contrast to the territorial type of the FEZ, the regime type allows the development of close ties with the local economy, and allows foreign firms to freely choose the optimal place for their activities. On the basis of industrial policy, the “bonded export-oriented factories, bonded warehouses, and high-tech enterprises” can be attributed to the regime type (Lolikova A.P., Lyurkov P.O., 2018: p.390).

Researcher P. Pavlov, classifies according to four main criteria:

- by the nature of the activity or functional value;
- on the degree of integration into the global and national economy;
- by industry basis;
- by the nature of the property.

After conducting a study of foreign experience, P. Pavlov gives specific examples of various FEZs in countries around the world. Thus, in South Korea, he notes, a complex system has been created, including four types of FEZs:

a) free trade zone for Korean and foreign companies engaged in the export of goods from Korea;

b) free economic zones in which foreign companies can use foreign workers (zones created in three cities - Inchon, Busan and Quangyang);

c) duty-free zones for attracting transnational corporations to cargo processing and transshipment centers (Busan, Quangyang, Inchon port and Inchon international airport);

d) industrial complexes to improve the competitiveness of strategically important sectors of the national economy.

One of the varieties of free trade zones is special duty free shops - “duty free” at international airports and seaports. Such stores are extraterritorial and are entitled to duty-free import of goods. The largest sales center "duty free" - Dubai. To date, a new type of zones has emerged in the world - export-import zones, which quickly spread to developing countries. Export production zones in Europe are especially developed in Romania, Hungary, Bulgaria, Poland. Their specificity lies in the fact that these are peculiar enterprises whose main task is to export goods and services, and to ensure the production activities of national and foreign economic entities.

In the USA there are three main types of free zones (Engerman, S. L. and O'Brien, P. K., 2004: p.25):

a) Foreign Trade Zones;

b) Business zones;

c) Technology parks.

The world has also received the most widespread free banking zones, which have reached the highest perfection in economically developed countries. Examples of this include banking companies in Switzerland and Luxembourg,

Hong Kong, Singapore, Bahrain and the Cayman Islands, a system for banking and insurance operations in the United States, France, Germany, the United Kingdom, and insurance companies in Taiwan, the Philippines, and Bermuda. Summarizing the above, it should be noted that of the variety of classifications of the FEZ, it is not possible to determine unambiguously which type of zones is most preferable for a particular country due to a variety of factors affecting this decision. However, all types of free economic zones contribute to the integration of national economies in the world. The creation of zones is justified if the existing economic advantages of certain territories are realized in this way: proximity to the centers of international economic exchange, natural-resource potential, significant in terms of reserves and value, developed research potential, and concentration of labor resources.

#### Advantages and disadvantages

As with all phenomena, advantages and disadvantages of free trade zones can be distinguished. The undoubted advantages can be divided into three groups: economic, social, and scientific and technical.

The first economic group of benefits includes:

- attracting foreign and national capital through special preferential economic mechanisms, a stable legal framework and the simplification of various organizational procedures;

- taking advantage of the international geographical division of labor and the international circulation of capital to expand the export of finished products, rational import and create an import-substituting production mechanism;

- the elimination of the monopoly of foreign trade through the provision of access to various forms of foreign economic activity to all organizations and enterprises of the FEZ;

- the growth of foreign exchange earnings in the budget of the country and regions.

- The social benefits include:

- acceleration of development of backward regions due to concentration within the zones of limited national resources;
- increasing employment, creating new jobs, fighting unemployment;
- creating a highly skilled workforce through the study and implementation in practice of international experience in the field of organization, management, finance;
- fostering a culture of management focused on world requirements for management technology;
- satisfaction of the population in high-quality consumer goods, the saturation of the domestic market.
- And finally, the scientific and technical advantages:
  - attraction of advanced foreign and domestic technologies;
  - acceleration of innovative and innovative processes;
  - attraction of foreign scientists and specialists;
  - increasing the efficiency of using the capacities and infrastructure of conversion complexes.

There are also significant advantages on the other hand: they highlight advantages for foreign capital. These are primarily tax breaks; access to national and regional markets; ensuring lower production costs, including at the expense of cheaper labor; the possibility of financing at reduced interest rates; land ownership.

There are also negative consequences of creating free trade zones:

At the forefront of a special economic zone is the so-called zero customs regime. That is, from abroad inside a few square meters of land, you can import duty free and take out everything that is allowed by law. As a result, peculiar spots will appear on the state map, where goods and money from all over the world can be easily entered and exited. That is the formation of a black market;

- narrow specialization;

- fierce competition with a number of commodity producers from other regions of the country who do not have customs preferences, as well as with importers of goods produced by the FEZ regime;

- high probability of turning the FEZ into a center for smuggling goods into the domestic market.

In the world there are a huge number of free trade zones. In this course work as an example are considered free trade areas of NAFTA and the CIS.

Currently, there are a huge number of free trade zones in the world. In this course work discusses several existing free economic zones.

The North American Free Trade Area (NAFTA, North American Free Trade Agreement, NAFTA) operates on the basis of the North American Free Trade Agreement concluded between Canada.

The impact of NAFTA membership on the economies of the United States, Canada, and Mexico includes the following points.

1) The growth of trade. The total mutual trade between the USA, Canada and Mexico, thanks to the formation of NAFTA, increased from 297 billion dollars in 1993 to 946 billion dollars in 2008, or 3.2 times. Today, daily trade between partners amounts to about \$ 2.6 billion, or it is \$ 108 million per hour. In the framework of NAFTA, 80% of trade in Canada and Mexico and more than a third of total US trade is carried out.

2) Creating new jobs and increasing employment. The North American Free Trade Area Agreement in Chapter 16 made it easier to obtain temporary permission for business or investment activities of citizens of partner countries. Through the integration of enterprises in countries participating in NAFTA, they increased their competitiveness and profitability, which contributed to the creation of new jobs. So, during 1993-2008. 39.7 million jobs were created. As a result, the employment rate in 2008 reached 205.7 million people, which is about half of the total population of the three NAFTA partner countries (444.1 million people).

3) Benefits of membership in NAFTA for consumers of member countries. Integration has contributed to lower prices, broadens the range and quality of products throughout North America. The main reason for lowering prices and improving the quality of goods is trade liberalization (the elimination of customs duties and the liberalization of non-tariff restrictions in mutual trade). With the money saved from duty-free imports, more goods are purchased, with the result that the consumer has the best choice of products at a lower cost. Multilingual product labeling was also introduced, which is attractive not only for consumers in the NAFTA region, but also in other countries. For example, in Canada, labels began to be printed in two state languages (French and English), with the result that Canada can trade not only with the United States, but also with other countries that speak these languages, with Great Britain, France or other European countries.

4) Development of the agricultural sector. The creation of NAFTA has had a significant impact on the development of the agrarian sector in the United States and Canada. Due to the protracted agrarian crisis in the 80s. The Mexican economy has become dependent on imports of agricultural products. If before the beginning of the 70s. Mexico imported 230 thousand tons of grain per year, in 1971-1976 - more than 2 million tons, in 1977-1982 - 5.4 million tons, in 1983-1987 - 6.9 million tons. The main suppliers were Mexico's North American integration partners - the United States and Canada. Since 1990, Mexico annually imports (mainly from the United States) more than 10 million tons of grain products. Thus, the more active involvement of Mexico in North American integration created the conditions for a more dynamic development of the economies of its partners - the United States and Canada. In particular, it allowed the USA to increase employment in agriculture by 50 thousand people in 1994 (Krasnikova A.N., 2014: p.63).

The next free trade zone is the CIS. Over the past 20 years, the Commonwealth of Independent States has played its positive historical role. However, the transformation of the CIS into something more than a tool of

“civilized divorce” is still very problematic. The countries of the post-Soviet space are connected by quite a lot, namely: geographical proximity, unity of economic ties, infrastructure, common historical past, however, the process of convergence of the positions of the CIS countries has encountered very great difficulties. This FTZ is relatively new: the “Free Trade Zone Agreement” of the CIS states was signed in 2011. The draft agreement was developed by the Russian Ministry of Economic Development, provides for "minimizing exceptions to the range of goods to which import duties apply", export duties should be fixed at a certain level, and subsequently phased out.

The most significant problems in establishing closer interaction between the new independent states during these twenty years are: the lack of developed democratic institutions; non-readiness of the Commonwealth states for integration; inaccessibility of information for the society about the activities of the CIS; lack of an effective legal framework; trade with other countries of the world remains the leading direction of foreign trade operations of most CIS countries; heterogeneity of the political and economic system of the CIS countries; unclear realization of the common goals of creating the CIS; lack of supranational bodies; the inability to pursue an open and transparent policy under authoritarian regimes; the discrepancy between the theoretical and practical steps of the CIS countries on the path to integration; the difference in interests of the new independent states led to different depths and speeds in the passage of integration processes.

The CIS free trade zone was based on the following reasons:

the experience of developing multilateral cooperation has shown that the achievement of the goal of an FTA was hampered by the lack of an institutional structure;

all member states in the field of foreign trade were guided by their own interests, which could not but impede cooperation in the Commonwealth space;

For successful implementation, it is necessary not only to have a clear strategy, in which goals, tasks and deadlines should be written, but also adopted documents should be implemented in practice.

Nevertheless, the heads of government of the CIS countries on October 18, 2011 in St. Petersburg made a historic decision to sign an agreement on a free trade zone. The FTA Agreement was signed by Russia, Ukraine, Belarus, Kazakhstan, Armenia, Tajikistan, Moldova and Kyrgyzstan. Despite its signing, there are certain difficulties.

Firstly, not all countries of the post-Soviet space have signed the said agreement. This was not done by Azerbaijan, Turkmenistan and Uzbekistan.

Secondly, the agreement indicates the so-called exemptions, which shows not complete confidence of the CIS countries. Most of the states of the Commonwealth under the contract of October 18, 2011 will retain duties on imports of Ukrainian sugar. Russia, Belarus and Kazakhstan will apply a duty in the amount of \$ 340 per 1 ton (the validity of the duty is not determined), and Moldova - 75% of the customs value (up to 2015). Also, duties on imports of vodka from Ukraine (2 euros per 1 liter are charged by Kazakhstan until 2015) and ethyl alcohol (0.5 euros for 1 l are charged by Moldova until 2013). Ukraine retains duties for sugar from Russia, Belarus, Kazakhstan and Moldova (50%).

Thirdly, the signing of the FTA agreement raised the question of the relationship between the formats of the free trade zone of the CIS and the EurAsEC Customs Union (CU). If the FTA involves the duty-free movement of goods between the CIS countries, the removal of all tariff and non-tariff restrictions, the CU is largely protectionist in relation to the import of goods from third countries, there are quota mechanisms and anti-dumping investigations (most often they are conducted in relation to Ukrainian products). Fourth, the customs duties of the Russian Federation and other CIS countries will decrease due to the abolition of customs duties, as a result, there will be losses in the budget. For example, according to Russian analysts, the loss of the Russian Federation will be

about 17-19 billion rubles. Fifthly, with the signing of the FTA agreement by Ukraine, the question arises whether this will hinder the integration of Kiev with the countries of the European Union. The same Russia warned that the CIS countries could introduce protective measures for Ukrainian goods in the event of the creation of a free trade zone of Ukraine and the EU. Kiev has not decided on its vector. From time to time, Ukraine declares the importance of integration projects with the CIS, Russia, and the European Union. And the last option for the Ukrainian political elite is of higher priority, even despite the pro-Russian orientation of V. Yanukovich. Sixthly, for wider integration, the CIS countries need to solve a host of economic, technical and other issues, to harmonize trade regimes. In the first half of 2011, the trade turnover between the countries of the Commonwealth exceeded \$ 134 billion, which is 48% higher than last year and is comparable with the pre-crisis values. This suggests increased cooperation and a better approach to assessing the integration potential of the Commonwealth. Despite the imperfection of the treaty, it records that withdrawals in bilateral trade will eventually be abolished. The Agreement on the FTA is a necessary step towards the emergence of such an association in the post-Soviet space as the Eurasian Economic Union on the basis of the Customs Union and the Common Economic Space. Thus, this agreement on the FTA does not cancel the contradictions that exist among the CIS member states, ranging from the establishment of so-called exemptions between countries, the ratio of the FTA and TS formats to the harmonization of trade regimes. Political leaders and elites of the CIS need to understand that the abolition of customs barriers is the main condition for the intensification of cooperation. The political will in the implementation of a full-fledged free trade zone in the post-Soviet space will ultimately create its members a mature integration community.

### **III Chapter THE IMPACT OF INTERNATIONAL TRADE ON AZERBAIJAN ECONOMY**

#### **3.1. Foreign trade policy of Azerbaijan**

The choice of national foreign trade strategy is influenced by both the domestic economic situation and trends in the international economy. This is due to the accelerated internationalization of world economic relations. Under such conditions, the macroeconomic strategy of economic growth is strongly influenced by the external factor, determined by the role of foreign economic relations in the state economic policy. The regulation of foreign trade is influenced by such modern problems as increased competition in the world market, increasing imbalances in the balance of payments, etc.

The impact of these factors gives rise to two directions of the state's foreign trade policy: liberalism and protectionism. Protectionism is a government policy aimed at protecting the domestic market from foreign competitors. And liberalism (fretradetism), on the contrary, is an economic policy aimed at increasing competition in the domestic market by opening the domestic market for foreign goods, capital and labor. Both protectionism and liberalism reflect the reaction of states to changes in the distribution of labor and international economic relations.

Liberal policy within a particular national economic system, in essence, is close to the policy of monetarism. It provides that the world market, compared to any other regulatory mechanism, is able to more effectively solve the problems of ensuring mutually beneficial efficiency and balanced trade operations. The world market creates for countries in transition the possibility of integrating their national economies into the world economy and ensures the use of modern scientific and technical achievements. In this case, state regulation is carried out through the methods of tariff regulation and stimulates the commodity and capital flow into the country. Indeed, free trade enhances competition in the domestic market, forces professionals to apply innovations and more fully meet the needs of consumers, makes it possible to save money by increasing production volumes. Free trade also,

by stimulating the improvement and application of new products, releases dynamic forces aimed at high rates of long-term economic growth. And protectionism, on the contrary, impedes the activity of these forces. Free trade policy benefits any country. But this benefit is not equally beneficial for all countries.

Making changes only in the field of imports, without making changes in the export strategy will not give the desired results to countries with economies in transition in solving mutually beneficial foreign trade issues. The export strategy, taking into account the integration of some post-Soviet countries into the world economy on mutually beneficial conditions, should aim at the gradual replacement of exports of raw materials, materials and natural resources with exports of finished products. A significant part of the profits derived from exports, should be directed to the creation and development of modern industries capable of producing finished products.

In January-April 2018, legal entities and individuals of the Republic of Azerbaijan carried out trade operations with their partners in 153 countries of the world, exported products to 94 countries and imported from 144 countries (Concept of "Azerbaijan 2020: Vision for the Future: 2012).

In January-April 2018 foreign trade turnover amounted to \$ 9318.8 million, including the export value of \$ 6292.7 million, with the customs value of imported goods, but with the statistical estimate of the exported crude oil and natural gas, , the value of imports was \$ 3026.1 million, resulting in a positive trade surplus of \$ 3266.6 million. Foreign trade turnover increased by 32.8 percent in real terms, 3.3 percent in real terms, including exports by 2.2 percent and imports by 5.7 percent compared to January-April 2017 (Concept of "Azerbaijan 2020: Vision for the Future., 2012) (Appendix 3) According to the data of the State Customs Committee, 24.7 percent of exports were exported to Italy, 9.2 percent to Israel, 7.4 percent to Turkey, 5.5 percent to Indonesia, 4.9 percent to Taiwan (China) and Germany 4.4 percent to Czechia , 3.7 percent to Canada, 3.2 percent to Georgia and Spain, 3.0 percent to Austria, 2.9 percent to Portugal, 2.8 percent to Russia, 2.5 percent to

Ukraine and India, And 2 percent - the cost of products sent to other countries. (Appendix 4) 17.4 percent of total imported products were imported to Russia, 15.5 percent to Turkey, 10.1 percent to China, 7.8 percent to Germany, 4.7 percent to US, 4.0 percent to Ukraine, 3.4 percent to Italy, 1 percent in Belarus, 2.9 percent in Iran, 2.3 percent in the United Kingdom, and 28.8 percent in other countries.

Non-oil products worth \$ 485.3 million were exported in January-April 2018, which is 19.3 percent more than in January-April 2017 and 11.4 percent in real terms.

In January-April 2018, fruit and vegetable juices - by 16.2 percent, potatoes - 2.5 times, fruit and vegetable canned foods - by 60.7 percent compared to the same period of 2017. , 3 per cent, natural grape wines and grape juice - 2,4 times, margarine, other useful ingredients for food - 6,0 percent, polyethylene - 9,6 percent, unworked aluminum - 9,1 percent, pipes of ferrous metals - 19 , 0 percent, cotton yarn - 32.2 percent, bentonite clay - by 19.8 percent, fresh vegetables exports - 12.8 percent, sugar - 42.2 percent, tobacco - 17.9 percent, tea - 6.8 percent, vegetable oils - by 18.3 percent, cotton fiber - by 9.6 percent, semi-finished products from ferrous metals - by 88.5 percent (Stat.gov.az: 2018).

In January-April 2018, imports of wheat increased by 56.3 percent, vegetable oils by 60.1 percent, fresh fruits by 48.9 percent, tea by 16.6 percent, ferrous metals pipes - 2,2 times, cars - 3,0 times, steel spares - 8,4%, mineral fertilizers - 3,4 times, furniture - 2,3 times, bars of black metal - 21,3%, counters, 6.3 percent, rubber tires - 7.3 percent, polyethylene - 63.8 percent, washing machines - 62.5 percent, trucks - 78.0 percent, cement and cement clinkers - 2.2 times, household refrigerators increased by 2.4 times, cigarette imports by 10.5%, butter, other dairy products and cakes by 18.1%, potatoes by 11.6%, poultry meat and its supplements by 13.3% sugar and sugar - 81.3 percent, beef - 17.3 percent, fresh vegetables - 51.9 percent, ferrous metals - 16.7%, household air conditioners - 9.0%, buses - by 11.5%.

### **3.2. Structure of export and import in Azerbaijan**

Azerbaijan is the largest export 77-economy in the world and the 84- most complex economy according to the Economic Complexity Index (ECI). In 2017, Azerbaijan exported \$ 14.3 Billion and imported \$ 8.1 Billion, resulting in a positive trade balance of \$ 6.17 Billion. In 2017, Azerbaijan's GDP was \$ 40.7 Billion, and GDP per capita was \$ 17.4 thousand.

The best exports of Azerbaijan are Crude Oil (\$ 11.7 Billions), Oil Gas (\$ 1.29 Billions), Oil Products (\$ 323 Millions), Acyclic Alcohols (\$ 57.4 Millions) and Raw Aluminum (\$ 56.2 Millions) using the UG 1992 revision (Harmonized System) classification. Its top imports are Automobiles (\$ 312 Millions), Petroleum Products (\$ 245 Millions), Wheat (\$ 219 Millions), Packaged Medicines (\$ 212 Millions) and Broadcasting Equipment (\$ 158 Millions).

The best export destinations are Azerbaijan Italy (\$ 4.71 Billions), Turkey (\$ 1.22 Billions), Canada (\$ 780 Millions), the Czech Republic (\$ 765 Millions) and Germany (\$ 700 Millions). The best imported origin are Russia (\$ 1.4 Billions), Turkey (\$ 1.18 Billions), China (\$ 789 Millions), Germany (\$ 453 Millions), and Ukraine (\$ 409 Millions).

Azerbaijan borders on land Armenia, Georgia, Iran, Turkey and Russia and Turkmenistan by sea. Making a bet on the non-oil sector of the economy, the state offers favorable (concessional) conditions for business - for investment and export of domestic products. The Decree of 01.03.2016 "On additional measures related to the promotion of exports of non-oil products" provides for payments from the state budget from 3 to 6% of the customs value of the actually exported goods depending on the local components used in the territory of Azerbaijan and the share of the value of the goods, as well as its type. The Cabinet of Ministers of Azerbaijan on 10.10.2016 approved the Rules for the payment of export incentives to persons engaged in the export of non-oil products, as well as the List of non-oil products to which export incentives will be applied under the foreign trade nomenclature. The list includes natural honey, dried fruits, persimmon,

pomegranates, confectionery (including oriental sweets - baklava and shekbur), canned vegetables, fruits, nuts, jams, preserves, fruit jelly, marmalades, fruit, nut mashed potatoes and pasta, fruit and vegetable juices, including pomegranate, sauces and seasonings, natural or artificial mineral waters, sparkling water, soft drinks, wine and grape mash, vermouth or other flavored natural grape wines, spirits (brandy, brandy, liquor), wine di Stilts, naphthalene ointment, clothes, shoes and other products made of genuine leather, silk fabrics, pile and lint-free hand-made carpets, etc. communications economic reform. In January 2019 legal entities and individuals of the Republic of Azerbaijan carried out trade operations with their partners in 129 countries of the world, exported products to 69 countries, imported from 126 countries. In January 2019, the foreign trade turnover of the country amounted to \$ 2504.9 million, including the export value of \$ 1482.2 million, with the customs value of exported crude oil and natural gas, the value of imports amounted to \$ 1022.7 million, resulting in a positive trade surplus of \$ 459.5 million. Foreign trade turnover increased by 12.3 percent in real terms, including imports by 48.3 percent and exports by 3.8 percent compared to January 2018. In real terms, the turnover increased by 5.9 percent, including imports by 17.7 percent and exports by 0.7 percent.

**Table 2 Geographical structure of imports**

<b>Geographical regions</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>reimport</b>							
Europe	5.645.076,9	4.797.767,7	6.103.547,7	5.051.353,3	5.019.083,1	4.528.536,3	4.318.198,3
Asia	3.182.139,2	3.790.729,3	3.673.393,3	3.224.153,1	3.092.305,8	3.179.400,6	3.394.445,1
America	891.618,5	1.004.869,5	823.642,0	879.444,9	1.065.332,5	713.901,8	991.927,5
Africa	14.397,3	34.741,4	84.210,3	7.010,7	13.285,1	19.271,8	24.535,9
Oceania	22.736,8	24.762,7	27.709,2	25.735,6	26.670,6	48.029,9	52.900,7
Europe	57,9	49,7	57,0	55,0	54,5	53,3	49,2
Asia	32,6	39,3	34,3	35,0	33,5	37,5	38,7
America	9,1	10,4	7,7	9,6	11,6	8,4	11,3
Africa	0,1	0,4	0,8	0,1	0,1	0,2	0,3
Oceania	0,3	0,2	0,2	0,3	0,3	0,6	0,5

**Source:** <https://www.stat.gov.az/source/trade/> - 2019

According to the State Customs Committee, 34.7 percent of exports were exported to Italy, 10.0 percent to Turkey, 7.9 percent to Portugal, 6.0 percent to Israel, 5.8 percent to India, 4.8 percent to India, 4.5 percent to Vyetnama, 9 percent to Georgia, 3.8 percent to Russia, 3.5 percent to Thailand, 3.0 percent to Ukraine, 2.9 percent to the United Kingdom and Greece, 2.7 percent to Germany, and 3.9 percent to other countries cost.

**Table 3. Geographical structure of export**

Geographical regions	2011	2012	2013	2014	2015	2016	2017
Europe	18.999.839,4	12.649.692,4	12.933.748,7	12.494.567,7	7.384.636,2	8.211.537,6	8.551.860,1
Asia	5.019.134,1	9.198.923,3	9.573.360,5	7.800.307,6	4.488.095,0	4.819.961,3	4.476.817,3
America	2.288.621,2	1.610.830,5	992.851,8	994.137,7	561.912,9	182.568,6	597.461,9
Africa	263.141,5	417.244,0	475.064,9	539.124,8	293.872,5	243.248,8	184.796,5
Oceania	162,1	31.293,5	390,9	471,1	621,9	275,8	688,6
Europe	71,5	52,9	54,0	57,2	58,0	61,0	61,9
Asiya	18,9	38,5	39,9	35,7	35,3	35,8	32,4
America	8,6	6,7	4,1	4,6	4,4	1,4	4,3
Africa	1,0	1,8	2,0	2,5	2,3	1,8	1,4
Oceania	0,0	0,1	0,0	0,0	0,0	0,0	0,0

**Source:** <https://www.stat.gov.az/source/trade/> -2019

9.8 percent of Turkey, 8.6 percent in China, 7.9 percent in Australia, 7.7 percent in Iran, 6.2 percent in the United States, 4.6 percent in Belarus, 4 percent in Germany, 4.2 percent in Norway, 3.6 percent in Canada, 3.5 percent in Ukraine, 3.2 percent in Japan, and 25.3 percent in other countries.

In January 2019 non-oil products worth \$ 137.6 million were exported from the country, which is 12.1% more than in January 2018 and 4.4% in real terms (Concept of "Azerbaijan 2020: Vision for the Future: 2012).

In January 2019 the export of fresh fruits from major types of products was 25.4 percent, fresh vegetables - 1.8 times, tobacco - 21.6 percent, sugar - 2.4 times, tea - , 9 times, natural grape wines and grape syrup - 1.7 times, canned fruits and vegetables - 20.5%, potatoes - 24.5%, cotton fiber - 2.0 times, unprocessed

aluminum - 19.2% bentonite clay - 18.8 percent, fruit and vegetable juices - 31.6 percent, vegetable oils - 59.7 percent, margarine, other food mixtures - 63.0 percent, polyethylene - 21.5 percent, ferrous metals pipes - by 60.3 percent, cotton yarn - by 48.2 percent (APPENDIX 5).

In January 2019, imports of sugar and sugar increased by 2.7 times, cigarettes - by 19.5%, vegetable oils by 52.8%, potatoes by 42.3%, poultry meat and sugar by 2019 additional products - 2.2 times, beef - 19.2 percent, fresh vegetables - 21.6 percent, cars - 2.5 times, mineral fertilizers - 1.8 times, counting machines, blocks and facilities - 21.0 , furniture - 1,7 times, bars of ferrous metals - 17,6%, trucks - 2,9 times, angles of ferrous metals - 31,2%, household air conditioners - 53,8%, buses - 4,5 times, cement and cement clinkers - by 1.6 times, household refrigerators - by 4.5%, wheat - by 9.8%, fresh fruits - by 2.0%, butter, other dairy products and cakes - by 14.6%, tea - 33.7%, pipes of ferrous metals - 13.3%, steel filling - 9.5%, rubber tires - 8.9%, poly ethylene - by 4.5 percent, washing machines - by 1.9 percent.

### **3.3. The role of international trade on economic growth and economic development of Azerbaijan**

International economic relations should be understood as foreign economic relations, acting as a special factor of international economic integration, while integration is an objective process of developing sustainable economic relations between countries and the division of labor of national economies, which are close in terms of economic development. Covering the sphere of production and foreign exchange, integration leads to a close intertwining of economies of different countries. Thus, international economic integration is a process of economic and political unification of countries based on the development of deep stable relationships and the division of labor between individual national economies, the interaction of their economies at various levels and in various fields. Among the

above three areas in the first place in terms of growth is the volume of international financial transactions, followed by international capital flow, in particular direct investment and, finally, in third place, international trade. Within the framework of the financial direction, currency transactions and the volume of international securities transactions are growing especially rapidly), a process that reflects the increasing securitization of modern financial markets. As for foreign direct investment, their growth exceeds the growth rate of international trade, in which the trade in services, technologies, and objects of intellectual property is growing at a faster rate. At the same time, the ratio between these three areas, as well as different forms within each of them has changed noticeably in recent years. General trends: all areas of the world economy in growth rates outpace the growth rate of the real sector, te gross domestic product. In the study of globalization, the question certainly arises - how to measure the globalization of economic activity, how to determine its degree, its dynamics over time. First of all, here it is necessary to distinguish between two separate questions. The first of these is the parameters by which one can judge the level of globalization of the world economy. The second question is the degree of openness of the economy of a particular country or group of countries, the level of its or their participation in global economic processes. It is impossible not to recognize the fact that globalization processes are developing at a high rate among industrialized countries of the Organization for Economic Cooperation and Development (OECD), as well as in the group of newly industrialized countries, while developing countries participate in this process to a much lesser extent. and the so-called least developed countries almost do not participate. In this regard, the average global indicators underestimate the level and importance of globalization for some countries and exaggerate them for others.

Ensuring economic security is one of the urgent functions of each state. This problem is related to the creation of a situation in the national economy that does not endanger its stable and sustainable development at home and abroad at the

moment. In order to protect national interests for the unexpected and unfavorable development of processes inside and outside, the country should have sufficient defensive resources (The Law on the Liberalization of Foreign Trade: 1997 ).

While all countries around the world are faced with the need to solve the economic security problem, their settings are different for different countries. This can be explained by the fact that economic security factors have been disproportionately distributed or distributed separately in countries.

The volume of natural resources owned by the state in providing economic security is one of the main factors. If the country has great natural resources, it means that there is so much money to secure its economic security. There is no doubt that Azerbaijan is among the mentioned countries. In terms of natural potential, our country is far from economic danger. In order to achieve economic security, as well as in Western European countries, the state's economic security strategy and relevant programs should be developed and implemented (Customs Code of the Republic of Azerbaijan: 1997).

In January-August of 2018 legal entities and individuals of the Republic of Azerbaijan conducted trade operations with their partners in 174 countries of the world, exported products to 102 countries and imported from 166 countries.

In January-August 2018, the foreign trade turnover of the country was \$ 20275.7 million, including the export value of 13412.2 million, taking into account the statistical value of exported crude oil and natural gas without customs clearance, The value of imports amounted to \$ 6863.5 million, resulting in a positive trade surplus of \$ 6548.7 million. Foreign trade turnover increased by 34.8 percent in real terms compared to January-August 2017, including exports by 37.7 percent and imports by 29.5 percent. In real terms, circulation increased by 0.2 percent, including exports by 1.0 percent, while imports dropped by 1.2 percent (Concept of "Azerbaijan 2020: Vision for the Future.,2012). According to the State Customs Committee, 27.7 percent of exports were exported to Italy, 8.4 percent to Turkey, 6.7 percent to Israel, 4.8 percent to Germany, 4.6 percent to India, 4.3

percent to Taiwan (China province), 3.8 percent 3.6 per cent to Canada, 3.3 per cent to Canada, 3.2 per cent to Russia, 3.1 per cent to Portugal, 3.0 per cent to France, 2.8 per cent to Georgia, 2.6 per cent to Spain, 18.1 per cent to Spain the cost of products sent to other countries.

15.5 percent of total imported products are from Russia, 14.6 percent in Turkey, 10.5 percent in China, 6.3 percent in Germany, 5.2 percent in the US, 4.0 percent in Ukraine, 3.2 percent in Italy, 8 percent in Japan, 2.6 percent in Iran, 2.4 percent in South Africa, 2.3 percent in the United Kingdom, 2.2 percent in Switzerland and 28.4 percent in other countries.

In January-August 2018, compared to the same period of 2017, the export of fresh fruit from major crops was 37.6 percent, natural grape wines and grape juice - 2.2 times, potatoes - 15.5 percent, vegetable oils - 1 , Canned fruits and vegetables - 14.9%, polyethylene - 16.8%, unprocessed aluminum - 18.3%, cotton fiber - 2.1 times, ferrous metals - 8.4%, cotton yarn - 25.7 percent, fresh vegetables exported 3.3 percent, sugar - 39.4 percent, tobacco - 23.3 percent, fruit and vegetable juices - 13.0 percent, tea - 22.5 percent, margarine, food other useful mixtures - 16.9 percent, semi-finished products from ferrous metals - 69.7 percent, bentonite clay - by 4.5 percent. (Economy.gov.az - 2018) In January-August 2018, imports of wheat increased by 20.4 percent, vegetable oils - by 5.0 percent, fresh fruits - by 50.2 percent, tea - by 9.0 percent, poultry - by 20 percent in January-August 2017. and its additional products - 16.4 percent, ferrous metals - 2.0 times, cars - 2.6 times, ferrous metals - 32.0%, mineral fertilizers - 57.2%, furniture - 22.5% , computing machines, blocks and installations - 6.5 percent, polyethylene - 34.2 percent, household air conditioners - 27.0 percent, trucks - 2.2 times, washing machines - 20.9 percent, cement and cement clinkers - 64 , 8 percent, domestic refrigerators - 2.1 times, cigarette imports - 1.6 percent, sugar and sugar - 36.2 percent, butter and other dairy products - 22.0 percent, potatoes - 18.4 percent. percent, beef - 21.7 percent, fresh vegetables - 47.1 percent, steel sales - 3.2 percent, black metal corners 5.4 percent, buses - by 25.4 percent.

## CONCLUSION

In the modern world economy, foreign trade is an important exogenous factor that has a significant impact on the national economy, determining its quantitative and qualitative parameters, as well as the conditions for safe economic development.

Foreign trade is an exchange of goods and services between countries, consisting of the export and import of goods and services, which act either as a catalyst or as a constraint to safe economic development.

The special role of foreign trade in the national economy is that it is integrated into almost all areas of economic activity and serves to fill the lack of domestic consumer, investment, financial and technological resources. The most significant of these features are the following:

- Securing markets for sectors producing liquid resources on the world market;
- Provision of resources to meet domestic final demand;
- An increase in tax revenues of the budget;
- The inflow of capital and loans to cover the lack of financial resources (income and savings) in various sectors of the economy;
- Compensation for the lack of investment resources.

The elimination of the state monopoly in foreign trade and its liberalization since the late 1980s in Russia, the rupture of economic relations within the country and the orientation of enterprises to world markets, the concentration of investment in primary industries led to a sharp narrowing of the domestic market, deindustrialization of the domestic economy, and undermining the country's economic security. In addition, for Russia, which is characterized by a large extent and territorial differentiation of the specialization of territorial subsystems, there is a considerable heterogeneity of the influence of foreign trade on economic development. This leads to different conditions for the economically safe

development of the regions, exposing certain regions to the danger of exogenous shocks associated with changes in world market conditions.

Overcoming negative trends in foreign trade requires maintaining a strong domestic market for domestic producers from all regions, conducting a structural adaptation of the country and regions to the world economy, and actively using the tools of state regulation of foreign trade to ensure the economic security of the country and regions in the long term.

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## Appendix

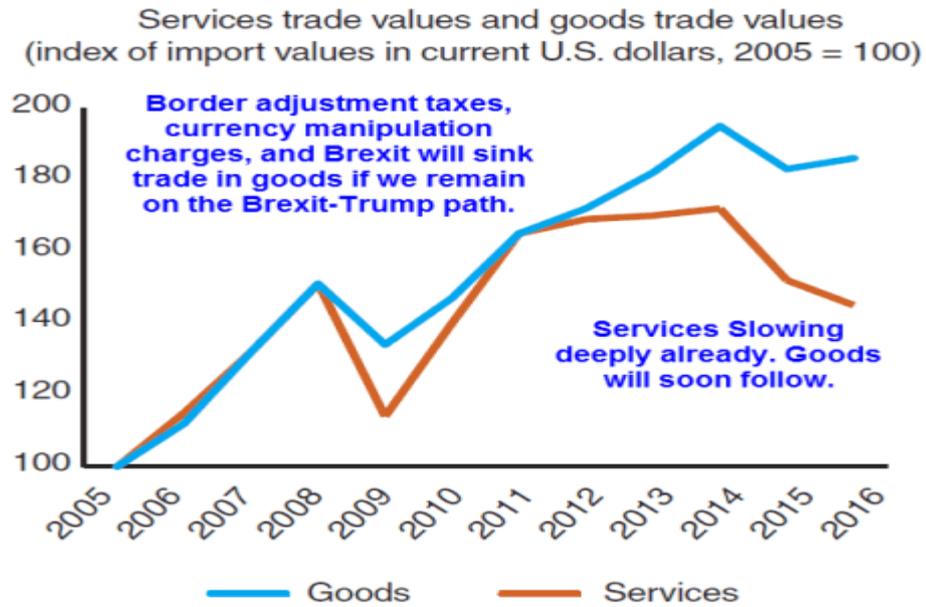
### Appendix 1

World goods and services trade volume  
(percent change)



Source: <https://www.fxstreet.com/analysis/global-trade-disaster-nearly-certain-201702220646> - 2019

## Appendix 2



Source: <https://www.fxstreet.com/analysis/global-trade-disaster-nearly-certain-201702220646> - 2019

### Appendix 3.

**Table 1. Dynamics of foreign trade turnover**

Year	In millions of US dollars				Actual prices, in percentage to the previous year)		
	commercial turnover	import	export	balance	commercial turnover	import	export
<b>1991</b>	4.002,2	1.881,2	2.121,0	239,8	x	x	x
<b>1992</b>	2.423,8	939,8	1.484,0	544,2	60,6	50,0	70,0
<b>1993</b>	1.353,5	628,8	724,7	95,9	55,8	66,9	48,8
<b>1994</b>	1.430,6	777,9	652,7	-125,2	105,7	123,7	90,1
<b>1995</b>	1.304,9	667,7	637,2	-30,5	91,2	85,8	97,6
<b>1996</b>	1.591,9	960,6	631,3	-329,3	122,0	143,9	99,1
<b>1997</b>	1.575,7	794,4	781,3	-13,1	99,0	82,7	123,8
<b>1998</b>	1.682,6	1.076,5	606,1	-470,4	106,8	135,5	77,6
<b>1999</b>	1.965,6	1.035,9	929,7	-106,2	116,8	96,2	153,4
<b>2000</b>	2.917,3	1.172,1	1.745,2	573,1	148,4	113,1	187,7
<b>2001</b>	3.745,3	1.431,1	2.314,2	883,1	128,4	122,1	132,6
<b>2002</b>	3.832,9	1.665,5	2.167,4	501,9	102,3	116,4	93,7
<b>2003</b>	5.216,6	2.626,2	2.590,4	-35,8	136,1	157,7	119,5
<b>2004</b>	7.131,4	3.515,9	3.615,5	99,6	136,7	133,9	139,6
<b>2005</b>	8.558,4	4.211,2	4.347,2	136,0	120,0	119,8	120,2
<b>2006</b>	11.638,9	5.266,7	6.372,2	1.105,5	136,0	125,1	146,6
<b>2007</b>	11.771,7	5.713,5	6.058,2	344,7	101,1	108,5	95,1
<b>2008</b>	54.926,0	7.170,0	47.756,0	40.586,0	466,6	125,5	788,3
<b>2009</b>	20.824,5	6.123,1	14.701,4	8.578,3	37,9	85,4	30,8
<b>2010<sup>2</sup></b>	33.160,7	6.600,6	26.560,1	19.959,5	106,5	105,0	106,9
<b>2010</b>	27.960,8	6.600,6	21.360,2	14.759,6	120,0	105,0	125,3
<b>2011<sup>2</sup></b>	44.161,7	9.756,0	34.405,7	24.649,7	104,0	145,3	92,6
<b>2011</b>	36.326,9	9.756,0	26.570,9	16.814,9	103,9	145,3	88,7
<b>2012<sup>2</sup></b>	43.813,5	9.652,9	34.160,6	24.507,7	95,5	96,9	95,1

<b>2012</b>	33.560,9	9.652,9	23.908,0	14.255,1	89,3	96,9	86,2
<b>2013<sup>2</sup></b>	43.554,1	10.712,5	32.841,6	22.129,1	102,7	109,1	100,7
<b>2013</b>	34.687,9	10.712,5	23.975,4	13.262,9	106,3	109,1	105,1
<b>2014<sup>2</sup></b>	39.407,5	9.187,7	30.219,8	21.032,1	95,7	85,4	99,0
<b>2014</b>	31.016,3	9.187,7	21.828,6	12.640,9	94,1	85,4	98,0
<b>2015<sup>2</sup></b>	25.809,0	9.216,7	16.592,3	7.375,6	99,9	99,5	100,1
<b>2015</b>	21.945,8	9.216,7	12.729,1	3.512,4	104,3	99,5	106,3
<b>2016<sup>2</sup></b>	21.596,6	8.489,1	13.107,5	4.618,4	92,7	89,6	94,4
<b>2016</b>	21.946,7	8.489,1	13.457,6	4.968,5	112,9	89,6	129,7
<b>2017<sup>2</sup></b>	24.257,6	8.782,0	15.475,6	6.693,6	89,3	83,9	92,9
<b>2017</b>	22.593,6	8.782,0	13.811,6	5.029,6	80,0	83,9	77,6

Source: <https://www.stat.gov.az/source/trade/> - 2019

## Appendix 4

**Table 4. Foreign trade turnover on the countries**

Countries	2011	2012	2013	2014	2015	2016	2017	2018
<b>Total</b>	<b>36.326.867,0</b>	<b>33.560.854,3</b>	<b>34.687.919,3</b>	<b>31.016.306,5</b>	<b>21.945.815,6</b>	<b>21.946.732,5</b>	<b>24.103.278,5</b>	<b>30.923.602,6</b>
<b>Commonwealth of Independent States</b>	<b>5.477.900,0</b>	<b>3.630.005,0</b>	<b>4.062.880,9</b>	<b>2.921.244,1</b>	<b>2.487.471,5</b>	<b>2.822.204,2</b>	<b>3.525.038,9</b>	<b>4.000.356,7</b>
<b>Including</b>								
Belarus	731.310,8	79.719,4	102.031,4	99.032,7	93.674,6	124.531,1	147.700,6	203.665,5
Qazaxıstan	275.589,3	393.427,4	370.997,6	250.895,6	116.883,4	124.391,3	142.099,9	220.789,4
Qırğızıstan	22.074,7	28.917,6	14.528,0	27.502,9	8.165,2	6.725,2	1.760,2	6.082,8
Moldova Respublikası	8.119,5	9.037,6	4.205,7	5.501,4	4.007,9	4.462,3	6.993,9	6.688,8
Özbəkistan	72.436,8	19.550,8	21.447,9	61.512,2	17.041,4	15.329,2	30.000,6	43.948,4
Rusiya Federasiyası	2.828.452,0	2.338.254,6	2.583.022,8	1.954.751,7	1.855.692,3	2.050.953,1	2.141.121,1	2.550.906,0
Tacikistan	15.985,6	44.149,7	13.805,9	2.824,7	6.443,8	12.320,5	2.045,8	6.587,2
Türkmənistan	56.835,2	91.629,8	88.152,4	51.201,2	52.433,9	152.276,0	164.135,7	133.151,9
Ukrayna	1.467.096,1	625.318,1	864.689,2	468.021,7	333.129,0	331.215,5	889.181,1	828.536,7
<b>Other countries</b>	<b>30.848.967,0</b>	<b>29.930.849,3</b>	<b>30.625.038,4</b>	<b>28.095.062,4</b>	<b>19.458.344,1</b>	<b>19.124.528,3</b>	<b>20.578.239,6</b>	<b>26.923.245,9</b>
<b>Including</b>								
Albaniya	27,4	46,5	0,2	5,4	6,8	253,5	504,9	540,6
Almaniya	1.368.654,9	1.744.738,6	2.179.759,7	2.629.200,3	1.913.958,5	1.001.323,4	894.183,0	1.440.760,2
Amerika Birləşmiş Ştatları	2.435.130,1	2.316.494,6	1.366.765,6	1.309.246,2	1.185.093,8	552.255,9	781.785,7	858.627,6
Amerika Samoası	-	2,4	-	4,0	0,2	-	1,2	19,4
Andorra	58,8	10,9	720,4	32,0	57,8	17,4	0,3	0,2
Angilya (Britaniya)	1.193,5	1.211,9	4.719,1	5.862,3	5,0	1,6	126,5	99,4
Anqola	5,7	22,6	13,4	215,3	101,4	166,1	43,9	92,0
Antiqua və Barbuda	-	-	-	-	-	9,2	-	-
Argentina	36.449,6	15.016,6	7.099,7	11.045,4	15.163,4	12.970,6	22.192,8	23.952,6
Aruba	144,6	83,8	2,0	17,5	7,7	4,1	18,4	45,1
Avstraliya	5.951,4	38.370,5	11.809,2	4.936,6	9.719,0	7.996,5	5.531,2	4.519,2
Avstriya	97.548,5	264.582,8	488.751,9	434.335,1	525.791,4	170.377,0	199.917,7	396.582,8
Baham adaları	-	-	-	25.663,1	2,2	9,4	2,9	-
Banqladeş	273,2	43,9	84,4	834,1	2.213,8	8.517,8	9.715,6	12.577,8
Barbados	-	37,5	25,3	251,4	-	68,8	16,9	0,1
Belçika	59.729,1	60.226,6	76.306,0	98.183,9	93.167,6	61.462,4	75.290,5	65.400,3
Beliz	4.133,9	254,3	2.556,2	2.944,7	69,5	19,1	1.444,9	2,3

Benin	-	-	-	-	-	215,0	-	-
Bermud adaları	15,2	42,3	26,1	12,5	8,4	0,9	9,9	38.632,8
Bəhreyn	216,3	66,3	278,3	23,2	324,0	200,2	105,6	705,6
Birləşmiş Ərəb Əmirlikləri	108.957,4	115.841,7	103.407,2	65.469,9	72.283,4	69.371,8	39.495,3	54.394,6
Birləşmiş Tanzaniya Respublikası	323,7	625,4	-	33,8	480,8	344,2	440,3	396,3
Boliviya	8,9	-	-	18,0	-	4,4	18,7	6,4
Bolqarıstan	446.318,2	623.536,8	138.685,0	124.596,9	13.219,5	39.809,7	37.428,0	65.884,6
Bosniya və Herseqovina	395,9	286,0	246,9	866,7	472,0	276,9	866,1	818,1
Botsvana	-	-	-	-	1,2	0,0	-	-
Böyük Britaniya və Şimali İrlandiyanın Birləşmiş Krallığı	501.594,5	822.845,4	1.818.350,7	1.104.785,1	563.735,8	575.132,5	281.064,2	525.174,6
Braziliya	176.034,4	183.592,2	372.081,7	221.753,5	119.902,3	164.835,1	172.590,3	170.884,2
Brunei- Darüssalam	27,2	8,3	5,6	3,8	224,9	3,6	90,0	64,2
Burundi	-	-	-	-	-	5,4	-	-
Cəbəllütariq	118,8	478,1	471,5	64.552,1	82.744,6	54,7	3,2	126.097,4
Cənubi Afrika Respublikası	948,8	2.607,2	74.831,9	1.809,3	3.036,5	6.520,2	7.164,0	162.754,3
Cibuti	-	-	-	-	-	55,3	298,1	-
Çad	-	-	-	-	-	15,3	14,4	0,4
Cənubi Sudan	-	3,6	-	-	-	-	-	-
Çexiya Respublikası	306.581,7	609.986,1	305.023,4	637.974,4	607.892,9	280.176,1	664.507,0	1.045.802,0
Çili	737,4	406,1	1.294,1	1.163,2	1.655,8	3.448,8	2.377,1	3.242,3
Çin	667.261,1	815.625,0	654.972,1	760.945,4	565.111,5	1.085.832,8	1.298.342,3	1.310.247,0
Çinin xüsusi inzibati rayonu Honkonq	2.177,6	3.970,5	2.970,2	2.084,6	2.564,3	1.060,7	2.736,5	4.231,2
Çinin xüsusi inzibati rayonu Makao	-	0,5	-	-	-	0,0	0,6	0,0
Danimarka	44.618,4	22.285,9	25.848,6	19.891,2	16.710,0	22.314,4	23.488,3	26.201,0
Dominika	19,6	5,6	21,8	9,5	-	7,9	3,4	0,1
Dominikan Respublikası	1,5	4,3	11,4	306,1	84,7	73,6	161,4	48,4
Ekvador	24.201,6	16.475,6	8.653,6	7.007,3	18.494,6	21.088,7	22.304,4	31.565,2
Ekvatorial Qvineya	2,7	2,4	-	0,3	-	-	-	0,5
Eritriya	-	-	-	-	-	-	0,1	209,8
Estoniya	4.805,6	6.315,3	8.282,8	4.613,9	5.951,3	3.084,8	3.226,6	5.054,6
Əfqanıstan	100.221,2	119.916,4	205.472,5	275.990,1	208.426,6	44.261,1	52.240,1	71.539,5
Əlcəzair	2.307,7	2.938,5	988,2	916,2	206,0	11.623,9	1.004,1	1.426,2
Farer adaları	-	-	48,4	-	780,8	497,5	246,8	207,7
Fələstin	-	32,9	-	35,9	46,1	156,9	318,3	207,2
Fici	-	-	79,4	-	0,1	203,2	0,9	19,6

Filippin	1.026,7	256,3	332,5	815,3	777,8	1.446,8	1.993,8	2.938,9
Foklend (Malvin adaları)	-	-	-	-	-	109,8	-	-
Finlandiya	65.961,2	51.910,1	63.917,3	70.899,4	34.734,4	12.893,8	19.169,2	29.949,2
Fransa	4.645.509,6	1.961.478,6	1.556.554,8	1.680.839,6	1.076.351,7	776.632,7	614.818,7	624.722,2
Fransa Qvianası	-	-	-	-	-	6,4	24,5	108,9
Fransa Polineziyası	-	-	-	-	-	0,1	-	-
Gürcüstan	624.810,2	700.660,2	650.466,3	623.437,9	564.189,4	468.108,3	561.905,5	579.440,7
Haiti	-	-	-	-	0,1	1,4	0,2	-
Hind okeanında Britaniya ərazisi	-	-	-	-	-	-	-	-
Hindistan	411.519,8	1.960.356,7	1.148.061,1	815.196,9	305.036,6	611.809,1	501.096,7	922.477,7
Həbəşistan	-	-	-	2,1	1,0	79,4	452,6	476,4
Honduras	-	-	0,1	-	2,7	13,4	24,5	63,0
Xorvatiya	356.351,0	333.996,4	222.537,6	322.971,9	200.578,5	315.197,8	214.361,8	247.772,3
İndoneziya	926.341,5	1.794.590,7	2.800.600,4	2.045.069,9	497.733,5	123.555,4	514.422,4	653.311,0
İordaniya	3.593,0	1.312,7	2.124,8	993,9	732,7	4.866,6	6.645,8	7.047,1
İraq	99.459,3	418.743,4	354.188,4	236.988,2	187.698,8	17.829,0	15.724,9	14.717,7
İran İslam Respublikası	305.315,2	263.787,1	281.029,7	186.597,9	124.712,4	221.209,9	257.068,8	446.032,7
İrlandiya	12.519,2	45.938,7	46.553,3	12.131,3	64.124,5	41.025,4	10.849,1	29.718,7
İslandiya	479,2	650,7	1.093,7	1.338,2	1.133,2	4.138,8	3.928,0	1.421,8
İspaniya	319.380,2	158.384,7	140.829,4	833.048,8	377.619,2	545.393,4	445.227,3	479.328,7
İsrail	855.131,7	1.728.210,7	1.278.290,9	1.790.908,3	826.405,1	679.735,6	671.612,3	1.334.729,8
İsveçrə	357.471,3	215.744,9	234.007,0	249.290,3	195.997,0	164.771,0	239.858,0	648.388,0
İsveç	86.334,1	63.762,0	42.323,1	50.003,0	80.218,4	68.226,9	28.945,9	30.916,5
İtaliya	9.595.564,7	5.809.616,1	6.238.915,1	5.078.261,0	2.842.095,2	4.666.189,2	5.671.290,4	6.219.861,1
Kabo-Verde	-	-	-	-	0,1	7.778,4	-	11,8
Kamboca	-	0,7	80,4	106,0	167,1	2.331,8	3.020,8	3.384,2
Kamerun	-	3,7	98,1	17,4	2,0	3,5	40,5	41,9
Kanada	16.742,7	41.066,0	14.596,0	254.746,0	240.354,7	112.101,8	609.402,1	763.585,1
Kayman adaları	15,0	8,9	13,2	22,7	24,4	27,1	-	3,9
Keçmiş Yuqoslaviya Respublikası Makedoniya	48,0	416,1	457,2	695,9	774,4	429,0	963,0	865,2
Keniya	677,8	48,8	94,9	130,3	60,0	695,3	970,3	1.047,4
Kipr	70.702,6	73.644,5	74.204,4	8.449,4	9.762,8	1.697,5	41.294,3	1.643,1
Kiribati	2,5	-	-	-	14,7	0,0	-	-
Kolumbiya	54,1	248,1	787,2	112,3	522,3	268,9	445,9	734,0
Konqo	48,8	15,5	52,3	0,6	554,6	1,4	29,1	71,5
Konqo Demokratik Respublikası	-	-	-	-	-	-	-	-
Koreya Xalq Demokratik	26,4	10,1	0,4	-	0,4	20,4	15,6	118,8

Respublikası								
Koreya Respublikası	648.039,2	243.935,7	263.647,2	186.310,2	133.985,2	72.168,3	85.613,3	226.763,8
Kosta-Rika	133,9	178,4	153,1	312,7	408,9	1.131,3	1.179,0	1.330,9
Kot-divuar	2,9	3,6	5,4	0,4	1,7	23,3	62,7	87,6
Kuba	22,2	5.154,8	7,9	44,1	74,6	71,0	223,3	167,5
Kuk adaları						-	0,1	-
Kurasao	-	-	-	14,0	1,3	54,9	4,5	11,9
Küveyt	112,9	191,4	72,2	433,3	3.927,3	3.741,6	7.114,3	1.858,6
Qambiya	-	-	0,1	-	-	-	-	-
Qabon	16,6	92,5	-	29,9	100,5	2,1	-	108,1
Qana	66,3	108,2	40,4	-	207,7	208,0	29,2	44,5
Qayana	-	-	-	-	87,5	148,0	-	-
Qəmər adaları	-	-	-	-	-	17,6	5,6	17,2
Qətər	12.066,4	2.836,6	2.460,5	347,1	501,6	170,2	4.726,3	3.608,8
Qrenada	-	-	-	-	-	-	-	-
Qrenlandiya	-	-	-	52,3	47,2	-	0,1	770,3
Qvadelupa (Fransa)	0,2	-	-	-	-	-	-	1,6
Quam (ABŞ)	-	-	-	13,7	-	13,4	19,5	1,9
Qvatemala	0,2	-	-	-	0,1	235,9	198,4	245,9
Qvineya-Bissau	-	-	-	-	-	-	1,8	0,1
Qvineya	-	7.969,2	2,8	-	0,1	-	-	-
Laos Xalq Demokratik Respublikası	-	-	-	-	-	9,2	22,3	70,9
Latviya	26.909,7	14.257,0	13.357,2	10.531,2	9.143,4	8.734,2	15.061,4	22.386,1
Lesoto	-	-	-	-	0,2	-	3,6	-
Liberiya	6,2	-	-	-	-	-	32,3	0,0
Lixtenşteyn	9,7	18,1	3,1	1,1	15,1	34,0	30,0	40,2
Litva	25.044,4	24.007,0	21.788,4	30.349,0	27.454,8	17.259,9	26.190,4	22.062,3
Livan	33.172,6	31.447,8	1.056,0	36.627,2	12.336,2	43.233,1	33.996,6	14.804,0
Liviya	2,6	142.453,4	167.146,7	26.670,5	802,7	61,1	0,1	-
Lüksemburq	27.886,6	14.616,4	15.201,0	4.098,4	8.951,8	13.012,9	19.325,5	47.697,2
Macarıstan	36.784,9	23.767,3	33.099,5	95.552,6	27.960,2	41.051,5	43.328,5	67.406,2
Madaqaskar	0,4	2,4	4,7	36,0	149,0	344,4	478,9	413,7
Malavi	330,8	539,0	232,9	-	51,0	0,0	205,8	-
Malayziya	701.297,7	389.669,4	30.342,4	33.170,0	84.343,0	117.719,0	35.220,6	59.360,1
Maldiv adaları	-	5,4	-	-	1,1	3,4	-	5,3
Mali	-	-	-	-	1,2	0,1	-	-
Malta	268.942,3	51.992,8	1.092,1	86.547,3	142.028,3	130.144,2	36.995,5	69.828,6
Marşal adası	283,4	1,0	88,9	142,6	18,6	2,6	-	-

Martinika	-	-	-	-	-	11,3	1,6	0,2
Mavritaniya	187,3	0,2	-	-	0,2	23,1	31,1	82,7
Mavrikiya	0,6	5,0	-	3,4	14,3	61,3	95,5	133,1
Meksika	3.992,6	5.049,5	6.236,0	7.208,0	22.260,3	21.119,8	19.328,9	26.205,3
Men adası	-	-	62,0	86,2	78,9	23,5	90,5	223,8
Mayotta						-	0,5	-
Mərakeş	101.787,8	6.656,2	62.410,1	94,2	4.640,7	2.837,0	3.881,9	4.446,1
Mərkəzi Afrika Respublikası	21,8	0,7	-	-	-	24,0	3,9	0,2
Misir	163.683,2	31.061,4	61.846,0	94.007,9	3.705,2	16.742,2	8.047,5	7.353,8
Monako	-	-	-	2,9	-	42,1	18,1	84,8
Monqolustan	566,6	578,0	548,7	317,2	172,5	104,0	158,7	74,5
Monteneqro	3,7	10,6	11,9	85,3	4,3	16,6	142,2	31,2
Montserrat	-	-	-	-	-	-	2,4	-
Mozambik	331,0	4,0	25,9	36,7	15,2	102,0	9,2	6,9
Müqəddəs Yelena adası	-	-	-	-	-	4,4	-	-
Myanma	3,4	18,2	-	15,5	23,4	208,1	659,6	1.195,8
Namibiya	-	-	-	-	0,5	-	0,8	-
Nauru	24,1	-	-	-	-	0,5	-	-
Nepal	68,8	5,3	6,0	49,9	66,1	69,3	43,7	58,9
Niderland	147.982,2	160.934,7	199.593,5	207.975,9	204.588,6	113.937,7	174.627,6	181.831,8
Niderland Antil adaları	-	-	-	-	-	-	-	-
Niger	1,0	-	-	-	2,8	51,1	4,2	24,1
Nigeriya	36,3	32,5	18,1	74,4	22,6	92,1	552,2	172,8
Niue (Yeni Zelandiya)	-	4,2	291,2	-	-	12,2	1,7	20,1
Nikaraqua	-	-	-	-	0,1	0,9	2,8	6,1
Normand adları	-	-	-	-	-	-	-	-
Norveç	37.748,4	23.825,8	38.633,7	33.922,0	145.366,9	278.741,9	157.234,5	107.524,7
Oman	4.378,7	1.873,0	4.592,0	99,8	68,5	227,0	368,2	3.166,2
Pakistan	3.022,1	1.363,3	1.126,1	2.802,4	1.996,6	7.295,4	8.251,1	11.166,3
Palau	-	-	40,0	-	-	-	-	-
Panama	9.056,8	21.997,5	15.972,8	2.289,6	70,2	0,3	93,7	1,0
Paraqvay	6,6	-	-	13,2	122,5	647,3	657,2	602,8
Papua-Yeni Qvineya		0,9	2,1	1,0	8,2	-	12,1	11,5
Peru	27,6	85,0	57,5	41,9	32,8	828,9	547,6	1.045,7
Polşa	122.627,2	48.738,8	56.697,5	78.678,7	97.243,9	74.984,0	77.816,8	104.007,0
Portuqaliya	327.454,9	245.998,7	528.202,5	558.638,8	395.078,9	342.282,6	512.395,1	544.228,4
Puerto-Riko (ABŞ)	11,9	150,0	38,9	79,5	253,3	78,2	524,6	62,9
Reyunyon (Fransa)	-	-	-	-	-	0,3	-	-

Ruanda	-	4,6	0,8	-	-	4,7	0,4	1,5
Rumıniya	67.937,8	83.589,7	128.841,4	142.100,1	148.643,8	198.176,8	335.354,3	388.968,8
Salvador	-	-	2,0	-	1,0	77,6	2,1	11,3
Samoa						-	-	-
San-Marino	87,4	1.325,8	184,2	137,2	190,7	172,0	450,1	539,7
Sent-Vinsent və Qrenadin						-	0,1	-
Seneqal	-	-	-	-	-	0,3	-	0,2
San-Tome və Prinsipi	-	-	-	-	5,2	-	-	0,3
Sen-Pyer və Mikelon (Fransa)	-	-	-	-	3,6	-	-	-
Sent-Kits və Nevis	-	27,9	-	-	-	-	-	-
Serbiya	2.772,4	22.371,0	5.424,3	3.836,5	3.995,5	4.039,9	5.495,5	5.542,0
Seyşel adaları	715,8	703,2	3.954,4	169,9	132,0	22,8	80,8	5,3
Səudiyyə Ərəbistanı	10.951,8	24.021,5	30.322,7	14.659,6	9.247,4	12.640,6	17.675,9	19.031,5
Sinqapur	16.838,1	270.136,5	46.681,3	101.413,2	103.771,2	202.392,2	22.259,5	30.931,2
Slovakiya	19.116,1	26.278,2	24.114,4	19.066,9	21.641,8	21.615,6	23.118,7	30.167,3
Sloveniya	11.059,8	6.106,0	12.240,7	8.659,7	23.985,9	18.270,8	22.861,9	23.707,9
Somali	5,7	-	-	-	-	1,1	-	-
Solomon adaları						-	0,0	0,1
Sudan	-	11,3	135,8	134,7	42,1	10,9	93,8	76,5
Surinam	-	3,8	-	-	-	3,0	0,3	0,2
Suriya Ərəb Respublikası	1.269,7	521,6	178,1	125,6	123,2	291,3	238,4	234,6
Şpisbergen və Yan-Mayen adaları	-	-	-	-	-	-	-	-
Sint-Marten (Niderland)	-	12,9	-	0,4	-	-	7,4	7,7
Syerra-Leone	32,7	83,8	6,8	7,0	112,8	20,3	8,6	3,9
Svazilend	-	-	0,7	-	456,5	225,1	7,6	13,8
Şri-Lanka	17.399,4	12.939,8	17.510,1	15.906,4	14.611,1	44.190,6	51.098,6	46.818,1
Tailand	153.999,7	370.048,9	1.687.517,3	869.805,1	282.989,8	148.838,7	138.602,2	184.184,7
Tayvan (Çinin əyaləti)	29.505,2	677.944,7	485.483,8	443.684,3	141.665,0	934.475,9	284.774,4	734.060,3
Toqo	-	-	42,0	-	-	-	-	-
Tokelau (Yeni zelandiya)						-	1,6	-
Trinidad və Tobaqo	106,3	60,0	47,1	232,5	18,9	76,3	107,7	74,4
Tunis	5.186,2	255.385,4	187.201,0	421.708,1	292.204,2	213.765,9	184.722,5	195.083,1
Türk və Kaykos adaları (Britaniya)	5,7	6,7	-	89,9	-	351,9	34,7	67,2
Tuvalu						-	-	-
Türkiyə	1.758.204,0	2.120.430,2	1.989.790,7	1.789.134,2	2.648.642,1	2.367.241,2	2.667.578,7	3.402.846,1
Uqanda	0,3	-	-	37,1	45,6	-	5,1	15,2
Uruqvay	1.666,6	973,5	1.957,9	5.767,7	219,6	1.134,8	51,0	81.281,5

Vanuatu	-	-	-	-	-	-	1,7	0,7
Venesuela	0,3	114,8	5.051,3	4.972,9	7.703,7	228,3	1.147,5	2,3
Virgin adaları (ABŞ)	469.892,4	-	240,0	-	-	1,4	4,5	0,1
Virgin adaları (Britaniya)	372,9	2.237,9	1.606,1	990,3	549,5	127,5	11,3	-
Vyetnam	14.936,0	22.745,6	307.753,1	79.761,1	13.581,6	76.096,6	101.188,0	141.459,6
Yamayka	-	4.700,2	6.470,2	11.291,9	13.998,7	2.814,9	11.792,9	-
Yaponiya	175.323,7	244.072,0	310.919,7	241.737,3	558.969,0	314.403,3	175.128,9	393.910,9
Yeni Kaledoniya	30,2	-	-	-	-	-	-	-
Yeni Zelandiya	16.607,2	17.675,8	15.789,4	21.108,8	17.531,7	40.077,2	48.017,6	44.460,8
Yəmən	-	113,9	115,6	174,0	-	-	13,9	-
Yunanıstan	216.987,4	849.039,0	815.105,5	318.778,0	161.923,8	216.693,2	171.684,0	170.637,5
Zambiya	1,3	347,5	109,4	-	-	342,2	19,0	6,9
Zimbabve	798,8	254,2	30,2	-	-	30,0	470,4	774,7
Digər ölkələr	717,5	1.016,2	1.121,3	1.049,3	803,4	785,4	1.528,5	1.491,2

Source: <https://www.stat.gov.az/source/trade/> -2019

## Appendix 5

**Table 5. Dynamics of imports of basic goods**

Goods	2013		2014		2015		2016		2017	
	Quantity	Amount, thousand US dollars	Quantity	Amount, thousand US dollars	Quantity	Amount, thousand US dollars	Quantity	Amount, thousand US dollars	Quantity	Amount, thousand US dollars
Chicken breast	5.147,6	12.289,8	4.444,2	9.938,1	5.059,3	10.899,7	5.257,9	13.782,6	9.255,4	26.472,6
Poultry meat	2.550,2	1.959,2	9.217,5	7.017,6	7.372,7	6.240,9	24.435,4	20.366,9	25.829,6	31.024,6
Fresh and frozen fish	12.691,6	7.888,8	12.690,5	7.989,4	9.898,3	6.868,7	9.371,0	13.657,8	9.880,0	15.569,5
Milk and cream,	12.117,2	9.441,3	9.960,6	7.525,9	8.835,2	5.761,7	5.463,1	8.034,1	8.872,9	14.344,2
Butter and other dairy products	8.367,0	21.313,7	9.839,3	25.118,6	13.793,9	22.392,6	14.365,1	48.383,9	13.811,1	66.900,3
Bird eggs	46.183,7	9.245,4	54.744,9	10.513,4	51.381,3	8.609,1	46.132,9	6.213,7	40.516,8	10.377,3
Potato	62.534,6	7.211,4	129.445,6	8.641,8	124.763,8	11.204,9	183.005,4	33.792,8	160.407,4	33.046,9
Fresh vegetables	21.461,4	4.051,4	22.749,5	2.390,5	25.489,9	6.149,3	45.894,2	18.268,2	28.083,2	15.241,5
Fresh fruits	20.243,9	13.506,2	14.118,8	10.000,5	57.881,1	33.299,5	72.165,1	63.572,1	74.939,2	67.129,8
Tea	8.955,4	20.321,8	8.183,0	18.992,0	7.460,8	16.319,9	12.609,3	44.730,5	13.585,4	53.984,1
Wheat	1.451,3	395.282,4	1.195,7	293.942,8	1.353,1	296.831,0	1.599,6	295.017,5	1.274,4	227.167,8
Corn	138.770,3	27.663,7	155.262,2	26.024,4	181.652,7	31.202,6	90.875,9	17.198,3	97.666,3	19.241,9
Rice	18.003,1	6.625,8	6.100,7	2.661,0	26.638,8	8.031,5	48.185,7	31.794,9	51.060,2	35.963,2
Wheat flour	46.449,3	17.975,1	3.969,7	1.395,6	5.788,1	1.601,9	3.658,4	1.226,6	2.673,2	1.064,8
Plant oils,	107.450,8	68.571,1	115.482,9	71.455,9	115.215,6	70.291,0	138.361,3	124.642,3	131.028,5	121.162,4
Margarine, other ingredients suitable for food	7.735,7	6.702,1	14.269,4	16.078,0	14.069,1	13.227,4	15.271,7	18.451,7	20.101,8	25.694,0
Meat sauce and other similar products, tons	745,2	2.590,0	1.394,5	4.003,4	1.101,4	1.978,6	1.918,4	6.887,9	2.347,7	8.711,9
Canned meat and fish	7.768,8	12.221,7	6.286,8	8.941,2	4.776,6	6.760,1	4.609,7	11.260,5	5.925,6	15.689,5
Crude sugar and sugar, thousand tons	399,8	201.516,0	432,8	205.275,4	291,5	124.490,7	365,2	152.756,4	368,7	169.757,0
Sugar confectionery products, tons	23.130,3	24.944,9	23.700,2	28.674,5	21.183,3	23.135,2	18.154,9	29.570,7	14.477,9	25.197,7
Chocolate and chocolate products, tons	26.690,7	46.731,9	24.718,5	43.035,0	19.177,9	33.411,4	15.501,7	44.877,6	18.581,1	52.905,9
Pasta products, tons	5.919,5	3.590,1	5.548,8	3.558,3	9.054,1	5.114,1	8.658,6	6.630,1	9.129,8	7.343,6
Canned fruits and vegetables, tons	19.976,2	20.922,1	17.593,8	20.074,5	19.191,3	16.514,4	13.159,8	21.944,8	16.076,7	26.406,5

Fruit and vegetable juices	5.449,8	7.291,2	5.282,8	7.214,2	4.162,1	4.245,3	4.108,3	3.259,4	2.462,8	2.625,3
Beer	53,6	450,3	55,4	571,3	203,1	1.711,7	374,0	3.951,4	547,3	5.880,9
Natural grape wines and grape juice	151,1	2.590,2	176,5	2.114,6	23,1	1.140,0	46,8	2.386,7	73,1	3.147,2
Vodka		9.069,4	75,3	11.352,5	86,5	13.633,2	37,4	3.051,9	56,9	4.975,4
Etil spirt	52,5	678,7	73,9	905,8	70,1	761,7	155,4	1.329,1	151,5	1.240,6
Tobacco	2.263,1	5.784,1	2.929,9	9.230,6	3.053,1	10.333,1	1.659,1	6.223,4	2.555,2	6.472,7
Smoking	13.065,4	333.045,3	13.347,2	390.163,6	11.522,8	287.275,1	9.301,8	146.958,1	11.033,5	160.055,2
Baking salt, other salt and salt solutions, tons	16.557,9	2.904,6	15.930,2	2.429,2	14.779,3	1.923,0	14.778,5	1.757,6	12.347,0	1.872,7
Natural barium	64.936,9	14.375,8	40.778,8	8.976,0	82.775,8	17.402,0	58.464,4	11.146,1	70.236,9	12.751,3
Cement	2.580,2	152.668,7	1.994,2	106.614,9	479,7	29.479,6	376,4	17.915,4	30,5	6.966,4
Tonnes, tons for heavy destroyers or other purposes	1.992,3	5.005,5	936,6	2.575,0	12.425,7	7.937,8	3.937,5	2.664,9	1.165,8	2.243,3
Liquid fuel	9.521,1	5.980,2	20.940,6	10.727,5	180.442,1	35.683,6	342.450,0	76.355,1	208.256,1	74.773,2
Friction oils	27.261,0	39.825,5	9.663,4	23.302,3	28.199,2	30.901,7	26.162,6	44.992,7	32.791,1	57.423,3
Electrical energy	161,5	7.724,8	136,3	6.533,0	113,6	5.117,7	110,8	4.221,6	108,4	4.224,9
Sodium hydroxides	29.004,1	5.436,8	26.176,8	6.843,5	24.491,9	6.779,4	18.863,4	5.477,4	18.542,3	5.889,4
Drugs	14.922,7	214.183,9	15.603,4	195.935,9	13.848,5	233.734,1	10.359,9	166.678,5	15.042,1	211.540,5
Mineral gübrələr, ton	97.674,6	50.551,6	153.585,1	74.766,2	152.143,4	68.824,4	166.856,9	51.646,7	180.545,6	54.373,4
Sabun, ton	14.376,2	9.742,3	14.165,1	10.057,8	10.901,9	9.160,3	12.899,5	19.467,3	15.344,3	23.253,3
Sintetik yuyucu maddələr, ton	53.200,9	84.670,1	54.491,2	87.150,1	44.541,7	68.029,5	51.606,6	57.105,3	57.693,5	63.210,3
Etilen polimerləri, ilkin formada, ton	46.934,6	68.177,8	31.811,3	50.165,2	46.787,2	42.018,4	34.393,0	39.376,4	35.938,5	42.822,0
Propilen polimerləri, ilkin formada, ton	24.617,9	35.424,1	19.023,3	26.378,5	21.547,7	20.293,6	20.238,3	22.338,9	24.510,6	30.720,5
Vinilxlorid polimerləri, ilkin formada, ton	20.100,2	16.902,2	11.567,3	10.806,4	15.334,1	10.408,6	14.946,1	12.972,0	21.589,9	18.963,5
Rezin şinlər, min ədəd	822,4	33.023,8	595,0	23.244,4	1.057,6	25.616,3	1.469,2	45.945,9	1.982,7	64.046,8
Dəmir yolu şpalları, kub metr	6.629,1	2.241,8	7.312,0	2.127,5	2.994,6	952,6	4.537,6	1.017,6	3.335,5	766,2
Uzununa doğranmış meşə materialları, min kub metr	867,3	166.612,7	116,0	23.275,6	499,2	111.565,2	751,6	73.205,7	842,9	92.994,1
Ağac yonqarlı plitələr, min kub metr	186,6	27.985,2	174,0	32.481,7	128,6	27.262,9	139,4	20.073,9	247,3	27.777,3
Ağac lifli plitələr, min kv. Metr	8.833,6	17.086,3	7.443,1	13.294,3	5.703,8	19.672,0	7.928,8	21.337,7	8.790,2	23.560,4
Yapışdırılmış faner, min kub metr	143,5	29.691,8	145,8	31.127,9	90,7	29.458,0	91,4	24.523,1	95,6	30.018,6
Qəzet kağızı, ton	3.831,1	2.528,0	3.723,3	2.268,4	3.822,8	1.918,2	2.217,8	1.086,1	2.437,1	1.263,6
Pambıq parçalar, min kv. Metr	14.903,8	1.818,1	16.094,1	2.623,4	4.117,5	2.252,1	4.706,8	2.884,4	5.920,4	3.773,5

Ayaqqabı, min cüt	3.014,2	9.792,0	842,1	10.935,4	4.650,2	7.885,8	33.683,6	67.008,1	37.030,0	65.307,1
Odadavamlı keramik kərpiclər, bloklar, plitələr, ton	10.762,9	10.746,2	6.577,1	8.273,1	4.305,4	3.311,1	5.783,1	3.877,1	7.243,9	4.821,9
Keramikadan tikinti kərpicləri, min ədəd	3.677,4	393,4	1.703,4	280,6	2.543,3	226,2	1.630,4	121,9	1.542,5	99,8
Qara metallardan yarımfabrikatlar, ton	57.296,7	33.881,7	92.404,8	55.020,6	20.926,5	11.766,9	330,3	196,0	4.005,5	2.885,4
İsti və soyuq yayılmış polad prokatı, ton	132.309,5	87.855,8	188.957,5	161.577,1	167.603,1	90.346,1	192.805,1	104.599,4	180.689,0	105.665,5
Üz çəkilmiş polad prokatı, ton	75.509,3	46.938,1	41.498,0	31.248,9	109.783,2	39.441,6	97.145,5	69.597,2	125.269,1	86.386,6
Qara metallardan çubuqlar, ton	217.017,7	129.674,1	176.358,8	91.565,7	264.813,2	160.222,9	97.736,4	43.601,8	108.146,4	56.617,5
Qara metallardan küncüklər və şvellerlər, ton	41.981,9	49.415,0	29.714,7	36.190,5	46.678,6	27.448,8	28.392,1	20.400,8	34.687,3	26.335,5
Qara metallardan neft və qaz kəməri boruları, ton	35.965,7	53.730,6	36.983,5	55.612,9	244.766,0	436.259,3	103.393,1	176.886,1	3.141,5	5.044,9
Qara metallardan qazma boruları, ton	630,3	3.385,6	673,2	3.844,8	624,8	3.984,8	1.675,5	18.653,4	2.619,1	7.914,8
Metal konstruksiyalar, ton	62.156,3	154.243,0	60.756,2	139.446,8	54.244,6	177.657,2	43.780,2	116.287,2	39.722,0	83.973,3
Maye nasoslari, ədəd	#####	59.960,2	176.157,0	64.349,7	135.996,0	109.316,7	823.450,0	41.342,9	644.260,0	47.457,4
Məişət kondisionerləri, ədəd	14.944,0	2.996,2	22.997,0	3.136,2	15.857,0	5.548,5	79.675,0	19.703,8	98.977,0	24.124,1
Məişət soyuducuları, ədəd	14.030,0	2.996,3	41.763,0	11.023,1	44.155,0	8.054,1	23.500,0	6.332,3	23.303,0	5.869,4
Buldozerlər, ekskavatorlar, digər yol-tikinti maşınları, ədəd	1.800,0	143.108,7	1.048,0	87.038,2	335,0	29.424,3	136,0	6.325,4	201,0	9.949,6
Torpağın işlənməsi və məhsulun yığılması üçün kənd təsərrüfatı maşınları, ədəd	8.374,0	41.088,9	10.851,0	87.435,9	10.922,0	34.609,6	59.869,0	42.340,5	66.517,0	109.624,7
Kənd təsərrüfatı məhsullarının emalı üçün avadanlıqlar, ədəd	3.026,0	29.366,1	4.386,0	18.127,5	4.106,0	14.386,2	58.061,0	13.381,2	12.103,0	23.227,2
Yeyinti sənayesi üçün avadanlıqlar, ədəd	781,0	49.982,4	1.175,0	15.621,6	507,0	5.660,2	1.043,0	6.379,7	2.159,0	11.552,9
Paltaryuyan maşınları, ədəd	64.259,0	7.582,4	77.425,0	9.508,2	50.445,0	6.988,6	99.859,0	16.853,0	163.211,0	28.313,4
Kalkulyatorlar və mühasibat maşınları, ədəd	13.667,0	2.869,9	73.306,0	24.230,6	26.926,0	10.115,5	153.929,0	1.191,8	158.817,0	1.371,2
Hesablama maşınları, ədəd	29.943,0	26.549,7	45.895,0	24.185,4	24.794,0	17.421,6	49.904,0	21.667,3	90.229,0	37.797,6
Hesablama maşınlarının blok və qurğuları, min ədəd	85,4	19.746,1	89,4	28.715,5	47,8	25.107,9	190.978,0	26.653,4	256,5	31.317,0
Elektrik mühərrikləri, ədəd	6.453,0	15.975,6	673.634,0	11.395,1	398.038,0	10.874,2	87.395,0	7.142,4	94.661,0	10.064,3

Dəyişən cərəyan generatorları, ədəd	499,0	2.717,7	82,0	1.379,1	508,0	1.564,3	312,0	1.126,8	822,0	788,9
Elektrogenerator qurğuları və fırlanan elektrik dəyişdiriciləri, min ədəd	314,1	81.883,7	1.744,4	68.315,2	1.168,5	70.685,1	14,8	16.300,6	2,9	15.646,2
Elektrik transformatorları, ədəd	13.171,0	35.447,2	9.407,0	29.846,6	11.097,0	29.204,2	38.534,0	19.045,7	47.673,0	14.081,7
İlkin elementlər və batareyalar, min ədəd	1.511,5	3.412,6	2.352,1	3.038,1	5.403,2	2.975,8	21.187,5	4.191,1	20.839,5	4.071,6
Elektrik akkumulyatorları, min ədəd	255,4	8.238,2	52,4	6.073,6	342,6	9.606,1	1.368,3	19.613,7	1.537,7	21.250,6
Tozсорanlar, ədəd	24.552,0	949,8	43.780,0	901,5	38.550,0	1.028,4	114.937,0	4.009,3	218.252,0	6.167,8
Telefon aparatları və digərləri, ədəd	10.691,0	1.199,8	9.389,0	990,0	13.150,0	1.292,1	152.460,0	1.543,0	145.733,0	1.883,3
Mobil və ya başqa simsiz rabitə şəbəkəsi üçün telefon aparatları, ədəd	94.578,0	4.192,9	88.615,0	5.134,3	86.747,0	9.317,6	461.938,0	41.678,4	819.324,0	69.033,6
Radioqəbuledicilər və digər siqnal qəbuledicilər, ədəd	9.892,0	549,7	2.997,0	216,9	155,0	26,8	133.845,0	881,8	152.863,0	657,2
Televiziya qəbulediciləri, ədəd	2.196,0	843,4	18.160,0	2.229,3	26.030,0	3.615,4	114.111,0	27.039,3	177.730,0	39.158,0
İzolyasiyalı məftil və kəbellər, ton	6.506,5	70.650,9	5.405,6	59.435,9	9.427,1	94.771,9	10.381,0	103.455,3	7.149,8	56.468,8
Dəmiryol lokomotivləri və vaqonları, ədəd	1.069,0	27.764,6	10,0	1.009,9	32,0	20.945,8	2.600,0	141.020,7	684,0	143.466,2
Traktorlar, ədəd	2.243,0	50.735,9	1.760,0	47.206,4	1.657,0	53.811,0	1.380,0	37.174,6	2.270,0	73.004,2
Avtobuslar, ədəd	827,0	38.186,1	330,0	14.615,2	816,0	176.099,0	96,0	6.203,0	187,0	11.071,8
Minik avtomobilləri*, ədəd	94.879,0	X	57.615,0	X	23.765,0	X	4.991,0	X	11.610,0	X
Yük avtomobilləri, ədəd	7.823,0	100.282,0	4.749,0	71.872,6	1.961,0	29.496,2	571,0	10.326,2	1.227,0	16.221,1
Xüsusi təyinatlı avtomobillər, ədəd	856,0	90.936,7	347,0	50.531,6	243,0	27.089,8	88,0	9.516,2	74,0	11.756,0
Topoqrafik, meteoroloji, geofiziki cihazlar, ədəd	161.485,0	11.935,3	1.002,0	8.114,6	3.791,0	11.873,2	12.992,0	6.284,9	9.421,0	6.684,8
Tibbi elektrodiagnostika aparatları, ədəd	3.304,0	7.391,7	5.974,0	12.084,8	14.435,0	5.811,3	96.949,0	5.567,2	220.588,0	8.708,6
Qaz, maye və elektrik enerjisi sayğacları, min ədəd	731,4	76.972,2	457,4	50.474,4	234,0	16.918,9	365,0	17.621,1	406,1	13.872,2
Oturacaq mebelləri, min ədəd	453,8	15.287,5	413,3	17.816,9	328,5	18.514,4	490,3	26.117,8	381,7	19.815,5
Ağacdən ofis, yataq, mətbəx və sair mebellər, min ədəd	116,7	28.950,8	348,7	60.105,2	293,9	47.981,6	238,7	53.130,5	198,2	41.557,6

Source: <https://www.stat.gov.az/source/trade/> -2019

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